

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

RECEIVED

AUG 29 1995

IN THE MATTER OF THE APPLICATION
OF MEDALLION PRODUCTION COMPANY FOR
AN UNORTHODOX ~~OIL~~ WELL LOCATION,
CHAVES COUNTY, NEW MEXICO.

Oil Conservation Division

CASE NO. 11387

APPLICATION

COMES NOW MEDALLION PRODUCTION COMPANY, through its undersigned attorneys, hereby makes application for an order approving an unorthodox well location, and in support thereof states:

1. Applicant is the operator of the S/2 of Section 20, Township 15 South, Range 28 East, N.M.P.M., Chaves County, New Mexico on which it proposes to drill its U.S.A. 20-1 Well as a wildcat well in the Morrow and Atoka formations, 990 feet from the South line and 1100 feet from the East line in Unit P of said Section 20.

2. Applicant seeks an exception to the Division's well location requirements to permit the drilling of said well in the Morrow and Atoka formations at the above-described location.

3. A standard 320-acre spacing and proration unit comprised of the S/2 of said Section 20 should be dedicated to the well.

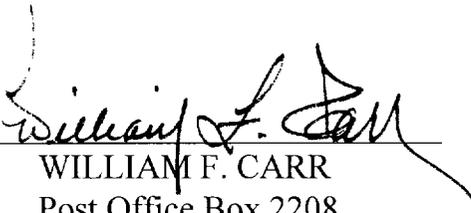
4. Approval of this application will afford Applicant the opportunity to produce its just and equitable share of the gas in the Morrow and Atoka formations and will otherwise

be in the best interest of conservation, the protection of correlative rights and the prevention of waste.

WHEREFORE, Applicant prays that this application be set for hearing before an Examiner of the Oil Conservation Division on September 21, 1995, that notice be given as required by law, the Division enter its order granting this application and providing such other relief as is proper.

Respectfully submitted,

CAMPBELL, CARR & BERGE, P.A.

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