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August 28, 1989

RECEIVED

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### VIA HAND DELIVERY

Mr. William J. LeMay, Director Oil Conservation Division New Mexico Department of Resources Minerals and Natural Resources State Land Office Building Santa Fe, New Mexico 87503 OIL CONSERVATION DIVISION

Case 9758

Re: In the Matter of the Application of Bettis Brothers, Inc. For Acreage Rededication and Unorthodox Gas Well Location, Eddy County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the above-referenced application of Bettis Brothers, Inc. Bettis Brothers, Inc. respectfully requests that this matter be placed on the docket for the Examiner hearings scheduled on September 20, 1989.

Very truly yours,

J. Scott Hall

JSH:mtb Enclosures cc: Mr. Harry Bettis

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### STATE OF NEW MEXICO

# ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF BETTIS BROTHERS, INC. FOR ACREAGE REDEDICATION AND UNORTHODOX GAS WELL LOCATION, EDDY COUNTY, NEW MEXICO.

case no. 9258

#### APPLICATION

BETTIS BROTHERS, INC., applies to the Oil Conservation Division for approval of the rededication of acreage and an unorthodox gas well location. In support, Applicant states:

- 1. Applicant operates the State 16-1 Well at a standard location 1980 feet from the East line and 660 feet from the South line of Section 16, Township 23 South, Range 26 East, NMPM, Eddy County New Mexico. The well produces from the Morrow formation in the Carlsbad Strawn South Pool. The S/2 of Section 16 is presently dedicated to the Well.
- 2. Applicant proposes to rededicate the E/2 of Section 16 to the 16-1 well, forming a standard 320 acre spacing and proration unit but resulting in an unorthodox location for the existing well.
- 3. Accordingly, Applicant seeks an exception to the well locational requirements of Oil Conservation Division Rule 104 for the 16-1 Well.
- 4. The mineral interest ownership throughout the entirety of Section 16 is consistent and will be unaffected. All offset owners

have provided written waivers to Applicant's proposal.

5. Approval of this application will afford applicant the opportunity to produce its just and equitable share of the hydrocarbons underlying the area and will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant prays that this matter be set for hearing before a duly appointed Examiner of the Oil Conservation Division on September 20, 1989, and that after notice and hearing as required by law, the Division enter its Order granting this application and providing such other relief as is proper.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By

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ATTORNEYS FOR BETTIS BROTHERS, INC.