December 26, 1985

Energy and Minerals Department Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501 Eure 88/0

Re:

ARCO State No. 1-Y Well

Lea County, New Mexico

Township 15 South, Range 36 East, NMPM

Section 5: SW/4 NW/4

Gentlemen:

Enclosed for filing, please find three copies of the Application of Bliss Petroleum, Inc. for an Exception to the Special Rules and Regulations for the Dean Permo-Pennsylvanian Pool, Lea County, New Mexico.

We ask that this matter be set for hearing before an Examiner, and that we be furnished with a docket of said hearing.

Thank you.

Sincerely yours,

DICKERSON, FISK & VANDIVER

Chad Dickerson

CD:pvm Enclosures

cc w/enclosure: Mr. Paul Bliss

DICKERSON, FISK & VANDIVER

BEFORE THE OIL CONSERVATION DIVISION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF BLISS PETROLEUM, INC. FOR AN EXCEPTION TO THE SPECIAL RULES AND REGULATIONS FOR THE DEAN PERMO-PENNSYLVANIAN POOL, LEA COUNTY, NEW MEXICO

case no. 85/0

APPLICATION

COMES NOW Bliss Petroleum, Inc., by its attorneys, and in support hereof, respectfully states:

- 1. By Administrative Order NSL-2032 dated May 4, 1985, as amended July 22, 1985, the Division approved a non-standard location for the ARCO State No. 1-Y Well, to be located 930 feet from the west line and 2,310 feet from the north line of Section 35, Township 15 South, Range 36 East, N.M.P.M., with the SW/4 NW/4 of said Section 35 to be dedicated to the well.
- 2. The well was drilled and completed as a dry hole in the Devonian formation, and Applicant proposes to complete the well in the Dean Permo-Pennsylvanian Pool created by Order No. R-892 in Case No. 1102.
- 3. Applicant seeks an exception to the Special Rules and Regulations of the Dean Permo-Pennsylvanian Pool, to permit the completion of the ARCO State No. 1-Y Well on 40-acre spacing rather than on 80-acre spacing as required by such Special Rules and Regulations.

WHEREFORE, Applicant prays:

- A. That the Division grant an exception to the Special Rules and Regulations of the Dean Permo-Pennsylvanian Pool, to permit Applicant to complete the ARCO State No. 1-Y Well on 40-acre spacing rather than 80-acre spacing as required by such rules and regulations, and to dedicate the SW/4 NW/4 Section 35, Township 15 South, Range 36 East, N.M.P.M., to such well.
- B. And for such other and further relief as may be just in the premises.

BLISS PETROLEUM, INC.

Chad Dickerson

DICKERSON, FISK & VANDIVER Seventh and Mahone, Suite E Artesia, New Mexico 88210 (505) 746-9841

Attorneys for Applicant