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December 31, 1986

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DEC 31 1986

OIL CONSERVATION DIVISION

Richard L. Stamets, Director  
Oil Conservation Division  
State Land Office Building  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87501

Re: Amerind Oil Company Application for  
An Unorthodox Well Location, Shipp-Strawn Pool

Dear Mr. Stamets:

I am enclosing an original and two copies of an application for an unorthodox well location for Amerind Oil Company. I would appreciate your setting this matter for hearing on the next available hearing examiner docket, which I understand to be January 21, 1987. I have previously telephoned this application to the Division on December 29, 1986 in order to meet the deadline for publication of the docket.

Thank you for your assistance with this matter.

Sincerely yours,



Edmund H. Kendrick

EHK:dml  
Enclosures  
cc: Robert C. Leibrock (w/enclosure)

STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY & MINERALS  
OIL CONSERVATION DIVISION

RECEIVED

DEC 5 1926

OIL CONSERVATION DIVISION

Case No: 7061

IN THE MATTER OF THE  
APPLICATION OF AMERIND OIL  
COMPANY FOR APPROVAL OF AN  
UNORTHODOX WELL LOCATION,  
SHIPP-STRAWN POOL, LEA COUNTY,  
NEW MEXICO.

APPLICATION

AMERIND OIL COMPANY, by its attorneys, Montgomery & Andrews, P.A., applies to the New Mexico Oil Conservation Division for approval of an unorthodox well location 1350 feet FNL and 2130 feet FEL, Section 3, Township 17S, Range 37E, Shipp-Strawn Pool, Lea County, New Mexico and in support thereof would show:

1. That applicant is the operator of the south half northeast quarter of Section 3, Township 17S, Range 37E, Lea County, New Mexico, and proposes to dedicate that acreage to a well to be drilled in an unorthodox location 1350 feet FNL and 2130 feet FEL in this tract for production from the Shipp-Strawn Pool.

2. That Rule 4 of the Special Rules and Regulations for the Shipp-Strawn Pool requires wells to be located within 150 feet of the center of a governmental quarter quarter section, and Rule 2 of those Special Rules and Regulations provides that each well drilled into said Pool shall be located on a standard proration unit containing 80 acres.

3. That applicant seeks an exception to the well location requirements of Rule 4 so that it can locate the subject well at the optimum geologic location from which to develop the south half northeast quarter of said section.

4. That the unorthodox location reduces the risk that would otherwise occur at a standard location.

5. That approval of the requested location provides the applicant with the opportunity to test the Shipp-Strawn Pool at the best location, thereby increasing the opportunity to recover any oil that may be located within the south half northeast quarter of said section.

WHEREFORE, applicant requests that, after notice and hearing, the application be granted as requested.

Respectfully submitted,  
MONTGOMERY & ANDREWS, P.A.

By Edmund H. Kendrick  
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