



Union Texas Petroleum

1330 Post Oak Blvd
P.O. Box 2120
Houston, Texas 77252-2120
(713) 623-6544

August 18, 1988

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attn: David Catanach

Re: Request for Hearing on
Unorthodox Well Location
Allied Chemical Fed #3
Carlsbad South (Morrow)
Eddy County, New Mexico

Case 9485

RECEIVED

AUG 22 1988

OIL CONSERVATION DIVISION

Dear David:

Please schedule a hearing for an unorthodox gas well location for the following well:

Allied Chemical Fed #3
660' FWL & 660' FSL
Sec. 3-24S-26E

The Carlsbad South special rules specify a well shall be no closer than 660' to the nearest side boundary nor closer than 1980' to the nearest end boundary. An orthodox location is not the best geological position for this well. For this reason we need the 660/660 location to recover the remaining gas reserves from this lease.

We have notified all offset operators by copy of this letter. Please find ownership plats reflecting wells and offset ownership.

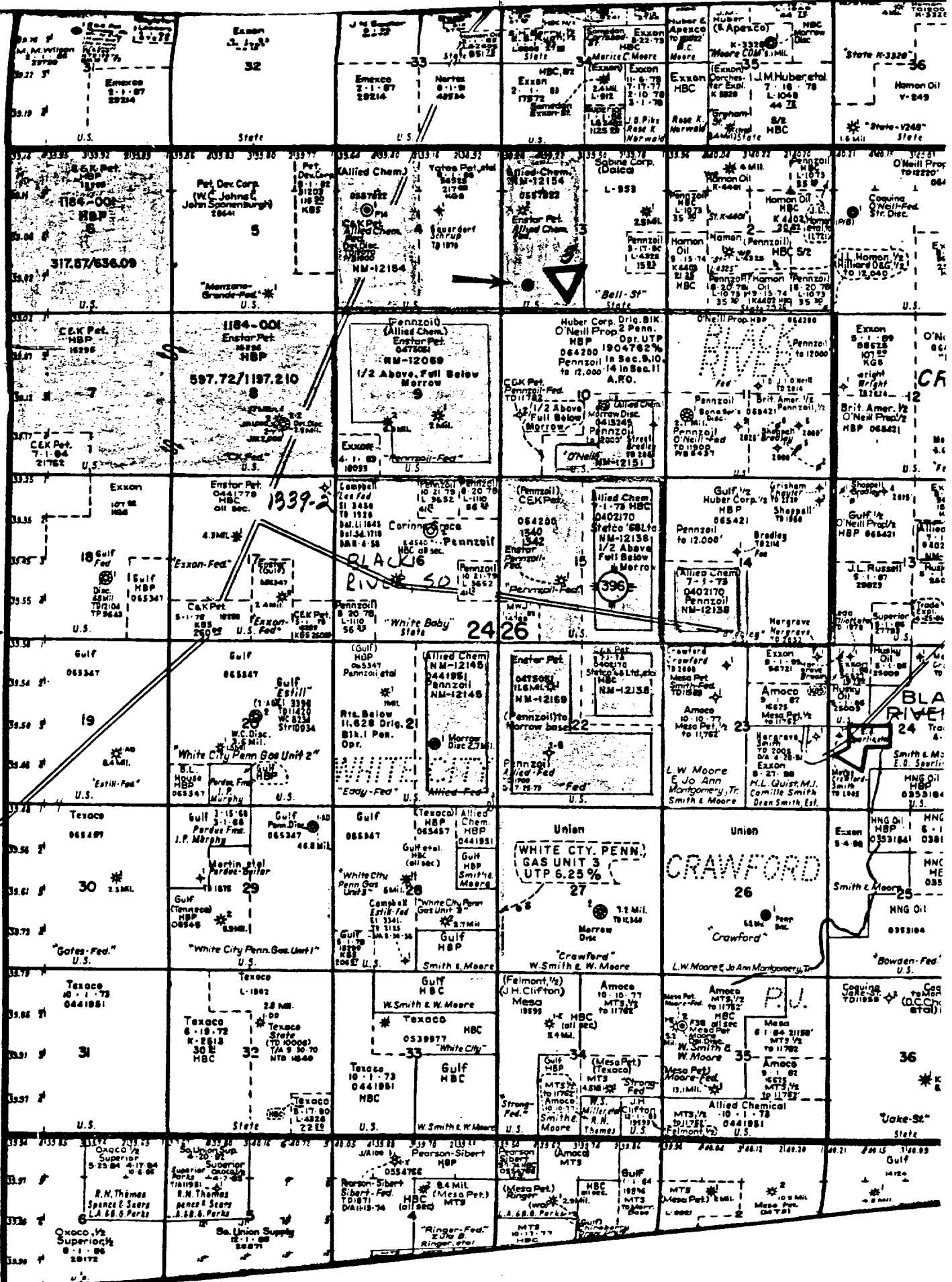
Should you have any questions or need further information, please call me at 713/ 968-4354.

Best Regards,

Ken White
Regulatory Permit Coordinator

KEW/pp
Attachment

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To
Caverna



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State

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U.S.

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OFFSET OPERATORS

ALLIED CHEMICAL FED #3
EDDY COUNTY, NEW MEXICO

J.M. HUBER CORPORATION
2000 WEST LOOP SOUTH
HOUSTON, TEXAS 77027

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

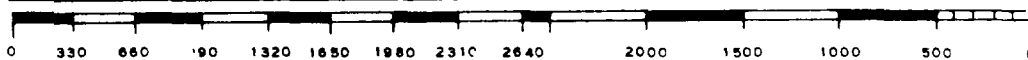
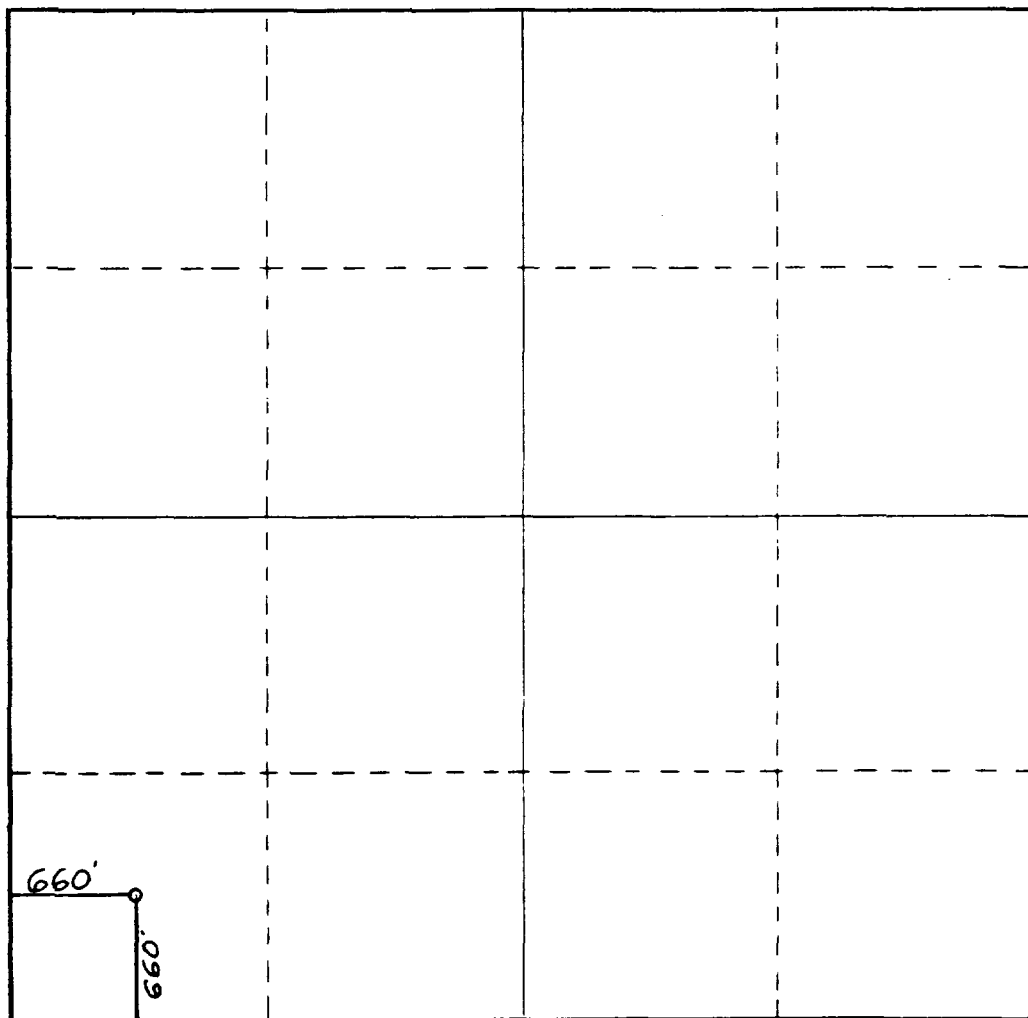
Operator UNION TEXAS PETROLEUM CORPORATION		Lease Allied Chemical Federal		Well No. 3
Unit Letter M	Section 3	Township 24 South	Range 26	County Eddy County, N.M.
Actual Footage Location of Well: 660 feet from the South line and 660 feet from the West line				
Ground Level Elev. 3360.	Producing Formation Morrow	Pool Carlsbad South	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
KEN WHITE

Position
UNION TEXAS PETROLEUM

Company
REG PERMIT COORD

Date
7/26/88

I hereby certify that the well location shown on this plat is plotted from field notes of actual surveys made by me or under my supervision, and that the same are true and correct to the best of my knowledge and belief.

Date Surveyed
July 21, 1988

Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy

Certificate No.
NM PE&LS NO. 5412