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Case 9500

September 13, 1988

#### HAND-DELIVERED

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

Re: In the Matter of the Application of Read & Stevens,

Inc. for an Unorthodox Gas Well Location,

Eddy County, New Mexico

Dear Mr. LeMay:

Enclosed is the Application of Read & Stevens, Inc. in the above-referenced case. Read & Stevens, Inc. respectfully requests that this matter be placed on the docket for the Examiner hearings scheduled on October 12, 1988.

Very truly yours

WILLIAM F. CARR

WFC:mlh Enclosures

cc w/enclosures: Mr. Charles B. Read

Read & Stevens, Inc.

## SEP 13 1988

## BEFORE THE

## OIL CONSERVATION DIVISION

JIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF READ & STEVENS, INC. FOR AN UNORTHODOX GAS WELL LOCATION, EDDY COUNTY, NEW MEXICO.

CASE NO. 9500

#### APPLICATION

COMES NOW READ & STEVENS, INC., by and through its undersigned attorneys, hereby makes application to the Oil Conservation Division for approval of an unorthodox gas well location, and in support thereof would show the Division:

- 1. Applicant is the operator of the E/2 of Section 19, Township 19 South, Range 29 East, N.M.P.M., Eddy County, New Mexico and proposes to drill a well at a point 660 feet from the North and East lines (Unit A) of said Section 19.
- 2. Applicant seeks an exception to the well location requirements of Oil Conservation Division Rule 104 to permit the drilling of the well at the above described unorthodox location to a depth sufficient to adequately test the Morrow formation, Undesignated Turkey Track-Morrow Gas Pool or Undesignated West Parkway-Morrow Gas Pool.
- 3. A standard 320-acre proration unit comprised of the  $\rm E/2$  of said Section 19 should be dedicated to the well.
- 4. Offset owners have been notified of this application as required by Division Rule 1207.

5. That approval of this application will afford applicant the opportunity to produce its just and equitable share of hydrocarbons underlying this spacing unit 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 application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on October 12, 1988, and that after notice and hearing as required by law, the Division enter its order granting this application and providing such other and further relief as is proper in the premises.

Respectfully submitted,

CAMPBILL & BLACK, P.A.

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ATTORNEYS FOR READ & STEVENS, INC.