

PETROLEUM DEVELOPMENT CORPORATION

9720-B CANDELARIA, NE ALBUQUERQUE, NEW MEXICO 87112 TELEPHONE (505) 293-4044

March 1, 1993

Case 10698

Mr. William J. LeMay-Director New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, NM 87501

RE: Rule 111, Deviation Test and Directional Drilling

Dear Mr. LeMay,

Petroleum Development Corporation (PDC) applies for public hearing on April 8, 1993 to authorize the intentional deviation from the existing vertical hole using the following procedure:

- 1. Mill a 60^{+} foot section in the existing 5 1/2" casing.
- 2. A directional survey will be run to determine the location of the kick off point.
- 3. Drill a 60 to foot radii 84 to 90 into the P2 San Andres pay zone.
- 4. Horizontally drill 500 + feet into the pay zone.
- 5. Adequate directional surveys will be run in the deviated hole.
- 6. The horizontal hole will be maintained a distance of 100 feet from any boundary of the 40 acre spacing tract.

PDC request permission to horizontally drill the following wells:

CATO San Andres Field

Wattam Federal #4, Unit H, Section 6, T8S, R31E. Located 2060' FNL and 598' FEL.

CATO San Andres Field

Wattam Federal #7, Unit D, Section 6, T8S, R31E. Located 660" FNL and 660" FWL.

Tomahawk San Anders Field
Strange Federal #4, Unit I, Section 25, T7S, R31E.
Located 1980' FSL and 660" FEL.

Attached is a list of offset operators with their correct mailing address.

Sincerely,

J. C. Johnson

Président

Attachment

Yates Energy Corporation Box 2323 Roswell, NM 88202-2323

Murphy Operating Corporation P. O. Box 2648 Roswell, NM 88202

Yates Petroleum Corporation 105 South 4th Artesia, NM 88210

Nauman Oil And Gas. Inc. P. O. Box 10159 Midland, TX 79702

Kerr-McGee Corporation Box 11050 Midland, TX 79701

Remuda Operating Co. 301 N. Colorado #150 Midland, TX 79701