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February 24, 1986

RECEIVED

FEB 2 1986

OIL CONSERVATION DIVISION

Mr. Richard L. Stamets
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

"Hand Delivered"

Re: Pennzoil Company
Unorthodox Well Location
Shipp-Strawn Oil Pool

Case 8860

Dear Mr. Stamets:

Please set the enclosed application for hearing on the next available examiner docket now scheduled for hearing on March 19, 1986.

Very truly yours,


W. Thomas Kellahin

WTK:ca
Enc.

cc: Greg Davis
Pennzoil Company
P. O. Box 1828
Midland, Texas 79701

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

RECEIVED

FEB 2 1979

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF PENNZOIL COMPANY FOR APPROVAL
OF AN UNORTHODOX WELL LOCATION,
LEA COUNTY, NEW MEXICO.

CASE: 8860

A P P L I C A T I O N

Comes now PENNZOIL COMPANY, by and through its attorneys, KELLAHIN & KELLAHIN, and applies to the New Mexico Oil Conservation Division for approval of an unorthodox oil well location in the Shipp Strawn Pool for its Simmons Estate Well #1 to be located 1310 feet FSL and 1980 feet FWL of Section 3, T17S, R37E, NMPM, and in support thereof would show:

1. Applicant has the right to drill and develop the E/2SW/4 of Section 3, T17S, R37E, NMPM, Lea County, New Mexico.

2. Applicant proposes to drill its Simmons Estate Well #1 in the Shipp-Strawn Pool at a location 1310 feet FSL and 1980 feet FWL of said section.

3. Rule 4 of the Special Rules for the subject pool (Order R-8062-a) provides that standard well locations shall be within 150 feet of the center of a quarter-quarter section.

4. The subject well requires an exception to Rule 4 of the Special Rules of the pool in order to be at the optimum location to test the Shipp Strawn Pool in the E/2SW/4 of said section.

5. The well is in the SE/4SW/4 of said section and is located approximately ten feet from the north boundary of that forty-acre tract.

6. The direction of encroachment is towards the center of the spacing unit to be dedicated to the well and Pennzoil Company is the operator of all affected acreage.

7. The only affected operator to whom notice is required by the rules of the Division would be Pennzoil Company.

WHEREFORE, applicant seeks approval of the application as requested.

Kellahin & Kellahin

By 

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