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July 26, 1999

Hand Delivered

Florene Davidson Oil Conservation Division 2040 South Pacheco Street Santa Fe, New Mexico 87505

Dear Florene:

Enclosed for filing are an original and two copies of an application for an unorthodox location, together with a proposed advertisement. Please set this matter for the August 19, 1999 Examiner hearing. Thank you.

Very truly yours,

James Bruce

OIL CONSERVE ON DIN

99 JUN 26 AM 10: 17

#12230

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

99 JUN 26 AM 10: 18

APPLICATION OF GOTHIC PRODUCTION
CORPORATION FOR AN UNORTHODOX GAS
WELL LOCATION AND SIMULTANEOUS
DEDICATION, CHAVES COUNTY, NEW MEXICO.

No. /2230

APPLICATION

Gothic Production Corporation applies for approval of an unorthodox gas well location in the Abo formation in the NW% of Section 29, Township 5 South, Range 25 East, N.M.P.M., Chaves County, New Mexico, and for simultaneous dedication, and in support thereof, states:

- 1. Applicant proposes to drill its McClellan MOC Fed. Well No. 18, at an unorthodox gas well location 660 feet from the North line and 330 feet from the West line (Unit D) of Section 29, to a depth sufficient to test the Abo formation (Pecos Slope-Abo Gas Pool).
- 2. The NW% of Section 29 will be simultaneously dedicated to the proposed well and to the existing McClellan MOC Fed. Well No. 7, located in Unit C of Section 29.
- 3. The Special Rules and Regulations for the Pecos Slope-Abo
 Pool require that all applications for a well located closer than
 660 feet to the outer boundary of the well unit be set for hearing.
- 4. Approval of this application will prevent waste and protect correlative rights.

WHEREFORE, applicant requests that the Division enter its order approving the unorthodox gas well location.

Respectfully submitted,

James Bruce

Host Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Gothic Production Company

PROPOSED ADVERTISEMENT

Case 12230:

Application of Gothic Production Corporation for an unorthodox gas well location and simultaneous dedication, Chaves County, New Mexico. Applicant seeks approval for an unorthodox gas well location for the Abo formation in its McClellan MOC Fed. Well No. 18, to be located 660 feet from the north line and 330 feet from the west line (Unit D) of Section 29, Township 5 South, Range 25 East, NMPM. The NW% of Section 29 will be simultaneously dedicated to the well and to the existing McClellan MOC Fed. Well No. 7, located in Unit C of Section 29. Said unit is located approximately 3 miles Nath — North of Roswell, New Mexico.