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October 24, 2000

HAND-DELIVERED

Lori Wrotenbery, Director
Oil Conservation Division
New Mexico Department of Energy, Minerals and Natural Resources
2040 South Pacheco Street
Santa Fe, New Mexico 87505

12539

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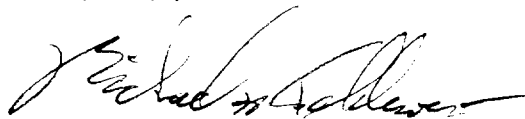
OL CONSERVATION DIV

***Re: Application of Maynard Oil Company for Simultaneous Dedication in the
Wilson-Morrow Gas Pool, Lea County, New Mexico***

Dear Ms. Wrotenbery:

Enclosed in triplicate is the Application of Maynard Oil Company in the above-referenced case as well as a copy of a legal advertisement. Maynard Oil Company requests that this application be placed on the docket for the November 16, 2000 hearings.

Very truly yours,



Michael H. Feldewert

MHF/ras
Enclosures
cc w/ enc: Tom Waller

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

APPLICATION OF MAYNARD OIL COMPANY
FOR SIMULTANEOUS DEDICATION IN THE
WILSON-MORROW GAS POOL
LEA COUNTY, NEW MEXICO.

CASE NO. 12539

OIL CONSERVATION DIV
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APPLICATION

MAYNARD OIL COMPANY ("Maynard"), through its undersigned attorneys, hereby makes application for an order authorizing the simultaneous dedication of the following wells to the 320-acre gas spacing and proration unit in the Wilson-Morrow Gas Pool comprised of the W/2 of Section 13, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico:

- A. the Wilson Deep Unit Well No. 1 which is a currently producing Morrow gas well located 2080 feet from the North and West lines of Section 13;
- B. the proposed Wilson Unit Well No. 2 to be drilled as a Morrow gas well at a standard location 660 feet from the North and West lines of Section 13.

In support of its application Maynard states:

1. The Wilson-Morrow Gas Pool is governed by statewide rules which provide for 320-acre spacing and proration units and wells no closer than 660 feet to the outer boundary of the quarter section and no closer than 10 feet to any quarter-quarter section line or subdivision inner boundary.
2. Maynard operates a standard 320-acre spacing unit comprised of the W/2 of Section 13, T-21-S, R-34-E, NMPM, Lea County, New Mexico. This spacing unit is currently dedicated to

Maynard's Wilson Deep Unit Well No. 1, which is completed in Morrow sands and located 2080 feet from the North and West lines (Unit F) of said Section 13.

3. Southwestern Energy Production Company has recently drilled an offsetting Morrow gas well at a standard location 660 from the North and East lines (Unit A) of Section 14, T-21-S, R-34-E and Santa Fe Snyder Corporation has recently drilled an offsetting Morrow gas well at an unorthodox location 638 FSL and 739 FWL (Unit M) of Section 12, T-21-S, R-34-E.

4. Maynard is informed and believes that these new offsetting wells in Sections 12 and 14 are draining gas from Morrow sands which are not developed in Maynard's existing well in the NW/4 of Section 13.

5. Maynard's existing Morrow gas well in the NW/4 of Section 13 cannot efficiently produce the Morrow sands being drained by the new offsetting wells and thereby protect Maynard's acreage from drainage.

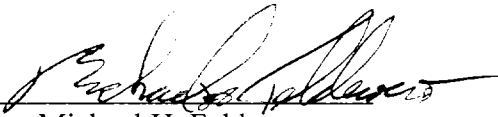
6. To protect its correlative rights and to efficiently produce the reserves under the E/2 of Section 13, Maynard seeks approval to drill its proposed Wilson Unit Well No. 2 at a standard location 660 feet from the North line and 660 feet from the West line of Section 13 (Unit D) and complete said well in the Morrow sands currently being drained by offsetting wells. Maynard also seeks to simultaneously dedicate the W/2 of Section 13 to this new Morrow well and Maynard's existing Wilson Deep Unit Well No. 1.

7. The simultaneous dedication of the W/2 of Section 13 to the Wilson Deep Unit Well No. 1 and the Wilson Unit Well No. 2 will afford Maynard the opportunity to efficiently produce the Morrow sands under this spacing unit, protect Maynards' correlative rights, and prevent waste.

WHEREFORE, Maynard requests that this application be set for hearing before an Examiner of the Oil Conservation Division on November 19, 2000, and, after notice and hearing, the Division enter its order authorizing the simultaneous dedication of the W/2 of Section 13, T-21-S, R-34-E, NMPM to the Wilson Deep Unit Well No. 1 and the Wilson Unit Well No. 2.

Respectfully submitted,

CAMPBELL, CARR, BERGE,
& SHERIDAN, P.A.

By: 
Michael H. Feldewert
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

ATTORNEYS FOR MAYNARD OIL COMPANY

CASE 1-559

Application of Maynard Oil Company for simultaneous dedication in the Wilson-Morrow Gas Pool, Lea County, New Mexico. Applicant in the above-styled cause seeks authorization to simultaneously dedicate its existing Wilson Deep Unit Well No. 1 (located 2080 feet from the North and West lines - Unit F) and its proposed Wilson Unit Well No. 2 (to be located at a standard location 660 feet from the North and West lines - Unit D) to a standard 320-acre gas spacing unit comprised of the W/2 of Section 13, T-21-S, R-34-E, NMPM. This location is approximately 16 miles west-northwest of Eunice, New Mexico.

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