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February 7, 1994

HAND-DELIVERED

FEB - 7 1994

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

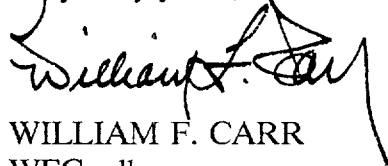
10926

Re: Application of David H. Arrington Oil & Gas, Inc. for an Unorthodox Gas
Well Location and a Non-Standard Spacing Unit, Lea County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the Application of David H. Arrington Oil & Gas, Inc., in the above-referenced case as well as a copy of a legal advertisement. David H. Arrington Oil & Gas, Inc., respectfully requests that this matter be placed on the docket for the March 3, 1994 Examiner hearings.

Very truly yours,



WILLIAM F. CARR

WFC:mlh

Enclosures

cc: Mr. David H. Arrington (w/enclosures)

BEFORE THE
OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION
OF DAVID H. ARRINGTON OIL & GAS INC.
FOR AN UNORTHODOX WELL LOCATION AND
A NON-STANDARD SPACING UNIT,
LEA COUNTY, NEW MEXICO.

CASE NO. 10926

APPLICATION

COMES NOW DAVID H. ARRINGTON OIL & GAS INC., through its undersigned attorneys, and hereby makes application to the Oil Conservation Division for an order approving an unorthodox well location and a non-standard spacing unit in the Eumont Gas Pool and in support of this application states:

1. Applicant is the operator of the S/2 S/2 of Section 34, Township 19 South, Range 36 East, N.M.P.M., Lea County, New Mexico, and proposes to drill its Foster No. 4 Well in the Eumont Gas Pool at an unorthodox location 660 feet from the South line and 480 feet from the East line (Unit P) of said Section 34.

2. A non-standard proration unit comprised of the S/2 S/2 of said Section 34 was approved for Arrington's Foster No. 3 Well to be drilled at an unorthodox well location 660 feet from the South line and 330 feet from the East line of Section 34 by Division Order No. R-10007 entered on November 2, 1993. Mechanical problems make it impossible to use the Foster No. 3 Well to produce the Eumont and it has been completed in the Abo as an oil well at a standard well location.

3. Applicant seeks an exception to Rule 2b of the Special Rules and Regulations for the Eumont Gas Pool to permit the drilling of its Foster No. 4 Well at the above-described location.

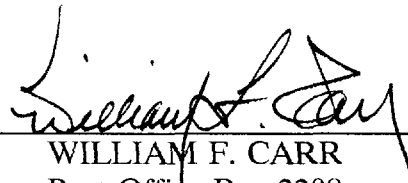
4. The above-described 160-acre non-standard proration unit should be approved and dedicated to the well.

5. Approval of this application will afford applicant the opportunity to produce its just and equitable share of the gas in the Eumont Gas Pool and will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant requests that this amended application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on March 3, 1994, that notice be given as required by law and the rules of the Division, and that the Division enter its Order granting this application and providing such other relief as is proper.

Respectfully submitted,

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

By: 
WILLIAM F. CARR
Post Office Box 2208
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Telephone: (505) 988-4421

ATTORNEYS FOR DAVID H. ARRINGTON
OIL AND GAS INC.

CASE _____:

10926

Application of David H. Arrington Oil & Gas Inc. for an unorthodox gas well location and a non-standard spacing unit, Lea County, New Mexico. Applicant seeks authorization to drill its Foster No. 4 Well at an unorthodox location 660 feet from the South line and 480 feet from the East line (Unit P) of Section 34, Township 19 South, Range 36 East, N.M.P.M., Lea County, New Mexico in the Eumont Gas Pool. Applicant also seeks the creation of a non-standard spacing unit comprised of the S/2 S/2 of said Section 34 to be dedicated to said well. Said area is located approximately 1 mile northwest of the Warren Gas Company Compressor Station.