

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

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS
MICHAEL H. FELDEWERT
DAVID B. LAWRENZ
TANYA M. TRUJILLO

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

May 2, 1994

HAND-DELIVERED

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

3 1994

10/18/93

Re: Application of Collins & Ware, Inc., for a High Angle/Horizontal Directional Drilling Pilot Project, Special Operating Rules, and a Special Project Allowable, Eddy County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the Application of Collins & Ware, Inc. in the above-referenced case as well as a copy of a legal advertisement. Collins & Ware, Inc., respectfully requests that this matter be placed on the docket for the May 26, 1994 Examiner hearings.

Very truly yours,


WILLIAM F. CARR

WFC:mlh
Enclosures

cc: Mr. Jim Orseth (w/enclosures)

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION
OF COLLINS & WARE, INC.
FOR A HIGH ANGLE/HORIZONTAL
DIRECTIONAL DRILLING PILOT PROJECT,
SPECIAL OPERATING RULES, AND A
SPECIAL PROJECT ALLOWABLE,
EDDY COUNTY, NEW MEXICO.

3 1994
CASE NO. 16913-3

APPLICATION

COLLINS & WARE, INC., through its undersigned attorneys, hereby makes application for approval of a high angle/horizontal directional drilling pilot project, special operating rules therefore and a special allowable, and in support thereof states:

1. Applicant is the operator of the Delaware formation, East Herradura Bend- Delaware Pool, underlying the SW/4 NW/4 and NW/4 SW/4 of Section 31, Township 22 South, Range 29 East, N.M.P.M., Eddy County, New Mexico.
2. Applicant proposes to cut a window in the 5 1/2" casing from 6050' to 6100' in its Quahada Ridge Federal 31 No. 1 Well which is located at an orthodox surface location 2310 feet from the South line and 330 feet from the West line of Section 31, entering the Delaware formation at a depth of approximately 6100 feet and then drilling horizontally in a northerly direction until approximately 1000 feet of a lateral distance is attained.
3. The project area for the proposed horizontal well will be the two standard oil proration units comprising the SW/4 NW/4 and the NW/4 SW/4 of Section 31.

4. Applicant seeks the adoption of special operating provisions and rules within the project area including the designation of a target window for the horizontal portion of the wellbore requiring the horizontal portion of the wellbore be set back at least 330 feet from the outer boundary of the standard unit and authorizing an allowable for this well equal to the sum of the allowables for the two oil spacing and proration units penetrated by the proposed well.

5. Granting this application will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on May 26, 1994, and, after notice and hearing as required by law, the Division enter its Order granting this application.

Respectfully submitted,

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

By:



WILLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR COLLINS &
WARE, INC.