CAMPBELL, CARR, BERGE

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

June 14, 1994

11115

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

1 / 404

Re: Application of Armstrong Energy Corporation for an unorthodox well location, Lea County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the Application of Armstrong Energy Corporation in the abovereferenced case as well as a copy of a legal advertisement. Armstrong Energy Corporation requests that this matter be set for hearing before a Division Examiner on July 7, 1994.

Your attention to this request is appreciated.

Very truly yours, elian

WILLIAM F. ČARR WFC:mlh Enclosures cc: Mr. Robert G. Armstrong (w/enclosures) Armstrong Energy Corporation Post Office Box 1973

Roswell, New Mexico 88202

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF ARMSTRONG ENERGY CORPORATION FOR AN UNORTHODOX WELL LOCATION, LEA COUNTY, NEW MEXICO.

CASE NO. 11015

APPLICATION

COMES NOW ARMSTRONG ENERGY CORPORATION, through its undersigned attorneys, and hereby makes application for an order approving an unorthodox well location, and in support thereof states:

1. Applicant is the operator of the SE/4 NW/4 of Section 2, Township 20 South, Range 34 East, N.M.P.M., Lea County, New Mexico and proposes to drill its Mobil Lea State Well No. 6 as an oil well in the Delaware formation, Northeast Lea-Delaware Pool, 2,590 feet from the North line and 1,980 feet from the West line in Unit F of said Section 2.

2. Applicant seeks an exception to the Division's well location requirements to permit the drilling of said well in the Delaware formation at the above-described location.

3. A standard 40-acre spacing and proration unit comprised of the SE/4 NW/4 of said Section 2 should be dedicated to the well.

4. Approval of this application will afford Applicant the opportunity to produce its just and equitable share of the oil and gas from the Delaware formation and will otherwise be in the best interest of the conservation, the protection of correlative rights and the prevention of waste. WHEREFORE, Applicant requests that this matter be set for hearing before a duly appointed Examiner of the Oil Conservation Division on July 7, 1994, and after notice and hearing as required by law, 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: U WILLIAM F. CARR Post Office Box 2208 Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR ARMSTRONG ENERGY CORPORATION

APPLICATION, Page 2 Application of Armstrong Energy Corporation for an unorthodox well location, Lea County, New Mexico. Applicant seeks authorization to drill to the Delaware formation, Northeast Lea-Delaware Pool, its Mobil Lea State Well No. 6 at a location 2,590 feet from the North line and 1,980 feet from the West line (Unit F) of Section 2, Township 20 South, Range 34 East, N.M.P.M., Lea County, New Mexico. The SE/4 NW/4 of said Section 2 is to be dedicated to said well forming a standard 40-acre spacing and proration unit. Said unit is located approximately one-half mile South of mile marker 80 on U.S. Highway 180/62.

11015

604

CASE ____: