

KELLAHIN, KELLAHIN AND AUBREY

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W. Thomas Kellahin
Karen Aubrey

Jason Kellahin
Of Counsel

February 7, 1989

RECEIVED

FEB 7 1989

OIL CONSERVATION DIVISION

Mr. William J. LeMay
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

Case 9612

Re: Pennzoil Company
for an Unorthodox Well Location,
Shipp Strawn Oil Pool and
Undesignated Atoka
Lea County, New Mexico

Dear Mr. LeMay:

On behalf of Pennzoil Company, please set the enclosed application for hearing on the next available examiner's docket now set for March 1, 1989.

We suggest the following be used for the advertisement for this date:

Application for Pennzoil Company for an unorthodox well location, Lea County, New Mexico. Applicant in the above styled cause seeks approval for an unorthodox well location 1650 feet from the North line and 330 feet from the East line of Section 21, T17S, R37E, for undesignated Atoka and for the Shipp Strawn Pool, with the E/2 NE/4 of said Section being dedicated to the well, forming a standard 80 acre oil spacing and proration unit for said pool. Said location is approximately _____ miles from _____.

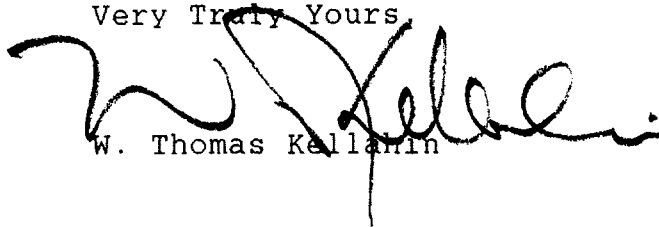
By copy of this letter and application sent certified mail return-receipt to all offset operators, we are notifying each of them of the right to appear at the hearing either in support or in opposition to this application. Should any

KELLAHIN, KELLAHIN and AUBREY

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such party desire more information about this matter or about the procedures to hearing this application, they may call the Division or the undersigned.

Very Truly Yours,



W. Thomas Kellahin

WTK:rs

cc: Lonnie Whitfield
Pennzoil Company
Pennzoil Plaza - North Tower
23rd Floor
700 Milam Street
Houston, Texas 77002

"Certified Return-Receipt Requested"

All Interested Parties in Application

RECEIVED

FEB 7 1989

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF PENNZOIL COMPANY FOR APPROVAL
OF AN UNORTHODOX WELL LOCATION,
LEA COUNTY, NEW MEXICO.

CASE: 9612

A P P L I C A T I O N

COMES NOW PENNZOIL COMPANY, by and through its attorneys, Kellahin, Kellahin & Aubrey and applies to the New Mexico Oil Conservation Division for approval of an unorthodox well location in an undesignated Atoka formation and in the Shipp Strawn Pool for an Atoka-Strawn well to be located 1650 feet FNL and 330 feet FEL of Section 21, T17S, R37E, NMPM, to be dedicated to the E/2 NE/4 of said Section 21, and support there of would show:

1. Applicant has the right to drill and develop the E/2 NE/4 of Section 21, T17S, R37E, NMPM, Lea County, New Mexico.

2. Applicant proposes to drill its Atoka-Strawn well in an undesignated Atoka field and in the Shipp Strawn Pool at a location 330 feet FEL and 1650 feet FNL of said Section 21.

3. Rule 4 of the Special Rules for the Shipp Strawn pool (Order R-8062-a) provides that standard well locations shall be within 150 feet of the center of a quarter-quarter section.


4. The subject well requires an exception to Rule 4 of the Special Rules of the pool in order to be at the optimum location to test the Shipp-Strawn Pool and the Atoka formation in the E/2 NE/4 of said Section.

5. Notice to affected offset operators is being sent to the party shown on Exhibit "A" as required by the rules of the Division.

WHEREFORE, applicant seeks approval of the application as requested.

Kellahin, Kellahin & Aubrey

By



W. Thomas Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87504

CERTIFICATE OF MAILING

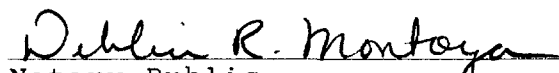
I hereby certify under oath that on the 7 day of February, 1989, I caused to be mailed by regular mail a true and correct copy of the foregoing letter and application to the following:

Wolverine Exploration Corporation
1201 Dairy Ashford
Suite 200
Houston, Texas 77097-3087
Attn: Mr. Larry L. Miller


W. Thomas Kellahin

STATE OF NEW MEXICO)
) ss
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me this 7 day of February, 1989, by W. Thomas Kellahin.


Notary Public

My Commission Expires:

July 25, 1989

EXHIBIT A