

CAMPBELL & BLACK, P.A.  
LAWYERS

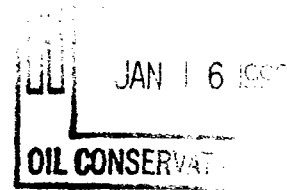
JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
WILLIAM R. SLATTERY  
PATRICIA A. MATTHEWS

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

January 16, 1990

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



Re: In the Matter of the Application of Tahoe Energy, Inc. for an Unorthodox  
Well Location and Simultaneous Dedication, Lea County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the above-referenced Application of Tahoe Energy, Inc. Tahoe Energy, Inc. respectfully requests that this matter be placed on the docket for the Examiner hearings scheduled on February 7, 1990.

Very truly yours,

A handwritten signature in black ink, appearing to read 'William F. Carr'. The signature is written in a cursive, flowing style with a large, prominent 'W' and 'C'.  
WILLIAM F. CARR

WFC:mlh

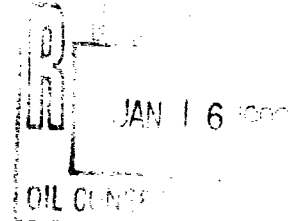
Enclosures

cc w/enclosures: Mr. Ken Freeman  
President  
Tahoe Energy, Inc.  
3909 W. Industrial Avenue  
Midland, Texas 79703

BEFORE THE  
OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF  
TAHOE ENERGY, INC. FOR AN  
UNORTHODOX WELL LOCATION AND  
SIMULTANEOUS DEDICATION,  
LEA COUNTY, NEW MEXICO.



CASE NO. 9823

**APPLICATION**

TAHOE ENERGY, INC., hereby makes application to the Oil Conservation Division for approval of an unorthodox gas well location, and simultaneous dedication, and in support thereof would show the Division:

1. Tahoe is the operator of a previously approved non-standard spacing unit in the Jalmat Gas Pool, comprised of the S/2 NW/4 and the N/2 SW/4 of Section 12, Township 23 South, Range 36 East, Lea County, New Mexico and proposes to drill the Cochise #1 Well at a point 1980 feet from the North line and 1600 feet from the West line of said Section 12.

2. Tahoe seeks an exception to the well location requirements of the Special Pool Rules for the Jalmat Gas Pool to permit the drilling of the well at the above described unorthodox location to a depth sufficient to adequately test the Jalmat formation.

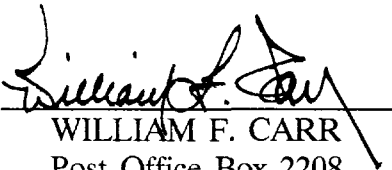
3. Tahoe seeks a simultaneous dedication of the Cochise #1 Well with the King Gas Com. #1 Well located 2310 feet from the South line and 990 feet from the West line of said Section 12.

4. That approval of this application will afford Applicant the opportunity to produce its just and equitable share of hydrocarbons underlying this spacing unit and will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing before a duly appointed Examiner of the Oil Conservation Division on February 7, 1990, and that after notice and hearing as required by law, the Division enter its order granting this application and providing such other and further relief as is proper in the premises.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By:   
WILLIAM F. CARR  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
Telephone: (505) 988-4421

ATTORNEYS FOR TAHOE ENERGY, INC.

CAMPBELL & BLACK, P.A.  
LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
WILLIAM P. SLATTERY  
PATRICIA A. MATTHEWS

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

January 30, 1990

**RECEIVED**

JAN 30 1990

OIL CONSERVATION DIV.  
SANTA FE

**HAND-DELIVERED**

Mr. Michael E. Stogner  
Hearing Examiner  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
State Land Office Building  
Santa Fe, New Mexico 87501

Re: Application of Tahoe Energy, Inc. for Approval of an Unorthodox Well  
Location, Non-Standard Proration Unit and Simultaneous Dedication, Lea  
County, New Mexico

Dear Mike:

Enclosed is certain information which I have received from Tahoe Energy, Inc. concerning a non-standard Jalmat Gas Proration Unit comprised of the S/2 NW/4 and N/2 SW/4 of Section 12, Township 23 South, Range 36 East, N.M.P.M., Lea County, New Mexico. As we discussed, these documents appear to recognize the existence of a non-standard unit, but, however, I have been unable to locate a Division Order actually approving this unit.

Accordingly, I am filing on this date an Amended Application which includes a request for approval of this non-standard proration unit and am renotifying those affected interest owners pursuant to Oil Conservation Division Rule 1207.

Mr. Michael E. Stogner  
Hearing Examiner  
January 30, 1990  
Page Two

By doing this it is our hope that we can resolve any question that may exist concerning approval of this unit.

Your attention to this matter is appreciated.

Very truly yours,

A handwritten signature in cursive script, appearing to read "WFC".

WILLIAM F. CARR

WFC:mlh

Enclosure

cc w/enc.: Ken Freeman, President  
Tahoe Energy, Inc.

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

IN THE MATTER OF THE APPLICATION OF  
TAHOE ENERGY, INC. FOR AN  
UNORTHODOX WELL LOCATION,  
NON-STANDARD PRORATION UNIT,  
AND SIMULTANEOUS DEDICATION,  
LEA COUNTY, NEW MEXICO.

CASE NO. \_\_\_\_\_

**AMENDED APPLICATION**

TAHOE ENERGY, INC., hereby makes application to the Oil Conservation Division for approval of an unorthodox gas well location, non-standard proration unit, and simultaneous dedication, and in support thereof would show the Division:

1. Tahoe is the operator of a non-standard spacing unit in the Jalmat Gas Pool, comprised of the S/2 NW/4 and the N/2 SW/4 of Section 12, Township 23 South, Range 36 East, Lea County, New Mexico and proposes to drill the Cochise #1 Well at a point 1980 feet from the North line and 1600 feet from the West line of said Section 12.

2. Tahoe seeks an exception to the well location and acreage dedication requirements of the Special Pool Rules for the Jalmat Gas Pool to permit the drilling of the well on the above-described unit at the above described unorthodox location to a depth sufficient to adequately test the Jalmat formation.

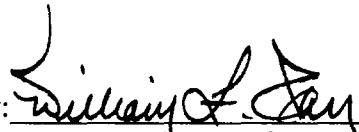
3. Tahoe seeks a simultaneous dedication of the Cochise #1 Well with the King Gas Com. #1 Well located 2310 feet from the South line and 990 feet from the West line of said Section 12.

4. That approval of this application will afford Applicant the opportunity to produce its just and equitable share of hydrocarbons underlying this spacing unit and will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing before a duly appointed Examiner of the Oil Conservation Division on February 21, 1990, and that after notice and hearing as required by law, the Division enter its order granting this application and providing such other and further relief as is proper in the premises.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By:   
WILLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR TAHOE ENERGY, INC.