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November 6, 1990

# **HAND-DELIVERED**

William J. LeMay, Director State of New Mexico Energy and Minerals Department Oil Conservation Division Post Office Box 2088 Santa Fe, New Mexico 87501

10167

Re: Application of BTA Oil Producers for Directional Drilling, Eddy County, New Mexico

Dear Mr. LeMay:

BTA Oil Producers hereby requests that Division Case 10116 which is currently set for hearing before a Division Examiner on November 14, 1990 be dismissed.

Enclosed in triplicate is a new application for BTA seeking authority to reenter the existing well in the SE/4 SW/4 of Section 11, Township 23 South, Range 28 East, and directionally drill this well to a standard bottomhole location within 50 feet of a point 660 feet from the South line and 1980 feet from the West line of Section 11. This new application will permit BTA to go forward with development of this tract and, at the same time, avoid problems inherent with other surface locations on this spacing unit.

BTA requests that this matter be included on the Examiner hearing docket scheduled for November 28, 1990.

Your attention to this request is appreciated.

Very truly yours,

WILLIAM F. CARR

WFC:mlh Enclosure

cc w.enc.: Karen Aubrey, Esq.

## BEFORE THE

#### OIL CONSERVATION DIVISION

DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF BTA OIL PRODUCERS FOR DIRECTIONAL DRILLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 10167

### **APPLICATION**

BTA OIL PRODUCERS, through its undersigned attorneys, hereby makes application pursuant to Oil Conservation Division Rule 111 to directionally drill its Pardue "C" 8808 JV-P Well No. 1 to a standard location in the Undesignated East Loving-Delaware Pool, and in support of this application states:

- 1. Applicant is the operator of the Undesignated East Loving-Delaware Pool, underlying the SE/4 SW/4 of Section 11, Township 23 South, Range 28 East, N.M.P.M., on which it had drilled and completed its Pardue "C" 8808 JV-P Well No. 1 at an unorthodox surface location 176 feet from the South line and 1550 feet from the West line of said Section 11. This location was approved by Division Orders Nos. R-9147 and R-9147-A which set a production limitation on the well.
- 2. Applicant proposes to reenter said Pardue "C" 8808 JV-P Well No. 1 and directionally drill from the current surface location to a standard bottomhole location within 50 feet of a point 660 feet from the South line and 1980 feet from the West line of Section 11, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico to test the Delaware formation, Undesignated East Loving-Delaware Pool.

3. Applicant proposes to dedicate to this well a standard 40-acre spacing unit

described in Paragraph No. 1 of this application.

4. The subject well must be directionally drilled to enable the applicant to

produce the reserves which underlie the above-described proration unit.

5. Approval of this Application will enable the Applicant to produce

hydrocarbons that otherwise would not be produced 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 matter be set for hearing before a duly

appointed Examiner of the Oil Conservation Division on November 28, 1990, after that

notice and hearing as required by law and the rules of the Division, that the Division

enter its Order granting this application for permission to directionally drill the Pardue "C"

8808 JV-P Well No. 1.

Respectfully submitted,

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ATTORNEYS FOR BTA OIL

PRODUCERS

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