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February 1, 1991

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

RECEIVED

FEB 1 1991

OIL CONSERVATION DIVISION

Case 10251

Re: In the Matter of the Application of Kaiser-Francis Oil Company for Pool Creation, Eddy County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the Application of Kaiser-Francis Oil Company in the above-referenced case. Kaiser-Francis Oil Company respectfully requests that this matter be placed on the docket for the February 21, 1991 Examiner hearings.

Very truly yours,

WILLIAM F. CARR

WFC:mlh Enclosures

cc w/enclosure:

Mr. Jim Wakefield

Kaiser-Francis Oil Company

Post Office Box 21468

Tulsa, Oklahoma 74121-1468

BEFORE THE

OIL CONSERVATION DIVISION

DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

RECEIVED

IN THE MATTER OF THE APPLICATION OF KAISER-FRANCIS OIL COMPANY FOR POOL CREATION, EDDY COUNTY, NEW MEXICO.

OIL CONSERVATION DIVISIONASE NO. 10251

APPLICATION

KAISER-FRANCIS OIL COMPANY, through its undersigned attorneys, hereby makes application to the Oil Conservation Division for an order creating a new pool in the Delaware formation and in support thereof would show the Division:

- 1. Applicant is the operator of the A.M. Federal Well No. 1 located 660 feet from the South line and 1980 feet from the East line of Section 8, Township 21 South, Range 26 East, N.M.P.M., Eddy County, New Mexico.
- 2. Applicant seeks the creation of a new gas pool in the Delaware formation as a result of the discovery of hydrocarbons in said A.M. Federal Well No. 1 in the perforated interval from 4046 feet to 4062 feet.
- 3. Said A.M. Federal Well No. 1 is the only well producing from this interval for approximately 6 miles and has an initial gas/oil ratio of 320,000 to 1.
- 4. Granting this application will be in the best interests of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Kaiser-Francis Oil Company requests that this matter be set for hearing before a duly appointed Examiner of the Oil Conservation Division on February 21, 1991, after that notice and hearing as required by law, the Division enter its Order granting this application and providing such other and further relief as it deems appropriate.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

WILLIAM F. CARR

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ATTORNEYS FOR KAISER-FRANCIS
OIL COMPANY