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July 8, 1985

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OIL CONSERVATION DIVISION

Mr. Richard L. Stamets
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

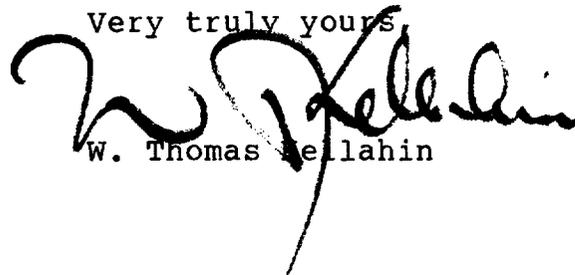
Re: Mewbourne Oil Company
Rock Tank Upper and Lower Morrow Gas Pool
Eddy County, New Mexico

Case 8665

Dear Mr. Stamets:

The enclosed application on behalf of Mewbourne Oil Company is a request for approval of a non-standard 320-acre spacing and proration unit and for approval of an unorthodox well location. We would appreciate you setting this application for hearing at the next available Examiner's Hearing now scheduled for July 31, 1985.

Very truly yours,



W. Thomas Kellahin

WTK:ca
Enc.

cc: Monsanto Oil Company
1300 One First City Center
500 W. Texas
Midland, Texas 79701
Attn: James D. Cobb, Jr.

Adobe Oil & Gas Corporation
110 Western United Life Building
Midland, Texas 79701
Attn: Ron Holcomp

Yates Petroleum Corporation
Yates Building, 207 South 4th
Artesia, New Mexico 88210
Attn: Randy G. Patterson

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Amoco Production Company
P. O. Box 3092
Houston, Texas 77253
Attn: Jim Allen

Santa Fe Exploration Company
P. O. Box 1136
Roswell, New Mexico 88202

Robert L. Kincaid & Sons
c/o Matt Chew
Allen & Chew
7045 Third Avenue
Scottsdale, Arizona 85251

Mr. & Mrs. William G. Smith
Queen Route
Carlsbad, New Mexico 88220

Cities Service Corporation
P. O. Box 1919
Midland, Texas 79702
Attn: Mr. E. F. Motter

Bill Mathis
Box 2414
Midland, Texas 79701

Cactus Resources, Inc.
13747 Montford Drive
Suite 300
Dallas, Texas 75240

Bureau of Land Management
P. O. Box 1449
Santa Fe, New Mexico 87501

Federal Land Bank
P. O. Box 1694
Roswell, New Mexico 88201
Attn: Rance Miles

Carlsbad National Bank
P. O. Box 1359
Carlsbad, New Mexico 88220

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Mr. Paul Haden
Mewbourne Oil Company
1010 Wall Towers West
Midland, Texas 79701

Mr. Robert C. Senning
Mewbourne Oil Company
1010 Wall Towers West
Midland, Texas 79701

Gary L. Winter
Mewbourne Oil Company
20 North Broadway, Suite 1600
Oklahoma City, Oklahoma 73102

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

IN THE MATTER OF THE APPLICATION OF
MEWBOURNE OIL COMPANY FOR APPROVAL
OF A NON-STANDARD SPACING AND PRORATION
UNIT AND FOR AN UNORTHODOX GAS WELL
LOCATION, ROCK TANK UPPER AND LOWER
MORROW GAS POOL, EDDY COUNTY,
NEW MEXICO.

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OIL CONSERVATION DIVISION
CASE: 8665

A P P L I C A T I O N

Comes now MEWBOURNE OIL COMPANY, by and through its attorneys, Kellahin & Kellahin, and applies to the New Mexico Oil Conservation Division for approval of a 320-acre non-standard proration and spacing unit consisting of the N/2 of Section 13, T23S, R24E, NMPM, Eddy County, New Mexico and for approval of an unorthodox gas well location 660 feet from the North line and 1980 feet from the West line of said section, and in support thereof states:

1. Applicant is an operator in Section 13, T23S, R24E, NMPM, Eddy County, New Mexico.

2. Applicant desires to drill a well at a location 660 feet from the North line and 1980 feet from the West line of said Section 13, to test the Morrow and Atoka formation.

3. That the subject well is subject to the Rock Tank Upper and Lower Morrow Gas Pool rules which provide for 640 acre spacing and proration units and for well locations not closer than 1650 from the sides of a section.

4. That applicant is unable to form a standard 640-acres spacing and proration unit in Section 13 because of title problems in the W/2SW/4 of Section 13.

5. That the Rock Tank Upper and Lower Morrow Gas Pools were established by Division Order R-3428 entered June 6, 1968.

6. That since its establishment, this pool has been fully developed on 640-acres.

7. That applicant believes that its location in Section 13 will not adversely affect offsetting operators because its well is not likely to drain more than 320 acres.

8. That rather than amend the pool rules, applicant believes that the most equitable method for further development of its interests in Section 13 will be the approval of a non-standard 320-acres proration and spacing unit consisting of the N/2 of section 13.

9. That a copy of this application is being mailed to all affected interest owners within Section 13 and to all offsetting operators that may be affected by this application.

WHEREFORE, applicant requests that this application be set for hearing before the Division's Examiner and that after notice and hearing the application be granted as requested.

Kellahin & Kellahin

By 
W. Thomas Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87501