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January 28, 1986

Mr. Richard L. Stamets
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

Case 8833

RECEIVED

JAN 28 1986

OIL CONSERVATION DIVISION

Dear Mr. Stamets:

On behalf of V-F Petroleum Inc. please set the enclosed application for a 40-acre non-standard proration and spacing unit for hearing on February 19, 1986.

By copy of this letter and application, we are hereby notifying all offset operators of this application. Should any offset operator desire to protest this application they are advised that they must do so at the hearing to be held on February 19, 1986. Should any operator desire more information they may contact the undersigned.

Very truly yours,



W. Thomas Kellahin

WTK:ca
Enc.

cc: Jerry Fullinwider
V-F Petroleum Inc.
One Marienfield, Suite 580
Midland, Texas 79701

(Certified Return-Receipt Requested)
All Addressees Below:

ARCO Oil & Gas Company
P. O. Box 1610
Midland, Texas 79702

W. A. Moncrief, Jr.
Fort Worth Club Tower
Suite 1200
Fort Worth, Texas 76102

KELLAHIN and KELLAHIN

Mr. Richard L. Stamets
January 28, 1986
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Mobil Producing Texas & New Mexico Inc.
P. O. Box 633
Midland, Texas 79702

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

IN THE MATTER OF THE APPLICATION
OF V-F PETROLEUM, INC., FOR AN
EXCEPTION TO THE SPECIAL RULES
AND REGULATIONS OF THE DEAN PERMO-
PENNSYLVANIAN POOL, LEA COUNTY,
NEW MEXICO.

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CASE: OIL CONSERVATION DIVISION
8833

A P P L I C A T I O N

Comes now V-F Petroleum, Inc., by and through its attorneys, and applies to the New Mexico Oil Conservation Division for approval of a 40-acre non-standard proration and spacing unit for its ARCO-State Lease Well #1 located 1980 feet FSL and 660 feet FWL of Section 35, T15S, R36E, NMPM, Lea County, New Mexico, with the NW/4SW/4 of said section being dedicated to the subject well and in support would state:

1. Applicant is the operator of the ARCO-State Lease Well #1, which originally was a Devonian producer and which applicant has recompleted in the Dean Permo-Pennsylvanian Pool.

2. Applicant seeks to dedicate the NW/4SW/4 of said section to the well and therefore requests an exception to the Dean Permo-Pennsylvanian Pool rules which require 80-acre spacing as created by Order R-892.

Pursuant to Rule 1207 (Order R-8649) applicant has 20-days prior to the hearing sent notice by certified mail return receipt to the following interested offset operators:

ARCO Oil & Gas Company
P. O. Box 1610
Midland, Texas 79702

W. A. Moncrief, Jr.
Fort Worth Club Tower
Suite 1200
Fort Worth, Texas 76102

Mobil Producing Texas & New Mexico Inc.
P. O. Box 633
Midland, Texas 79702

WHEREFORE, Applicant prays:

A. That the Division grant an exception to the Special Rules and Regulations of the Dean Permo-Pennsylvanian Pool, to permit Applicant to complete the ARCO State Lease #1 Well on 40-acre spacing rather than 80-acre spacing as required by such rules and regulations, and to dedicate the NW/4SW/4 of Section 35, T15S, R36E, NMPM, to such well.

B. And for such other and further relief as may be just in the premises.

V-F Petroleum, Inc.

By 
W. Thomas Kellahin

Kellahin & Kellahin
P. O. Box 2265
Santa Fe, NM 87504

Attorneys for Applicant