

Jason Kellahin
W. Thomas Kellahin
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KELLAHIN and KELLAHIN
Attorneys at Law
El Patio - 117 North Guadalupe
Post Office Box 2265
Santa Fe, New Mexico 87504-2265

Telephone 982-4285
Area Code 505

May 29, 1986

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

Case 8927
"Hand Delivered"

Re: Unorthodox well location application
S. E. Dean Federal "10" #1 Well
Northeast Lovington-Pen Pool
Section 10, T16S, R37E
Lea County, New Mexico

RECEIVED

MAY 29 1986

OIL CONSERVATION DIVISION

Dear Mr. Stamets:

On behalf of BHP Petroleum Company Inc., please set the enclosed application for an unorthodox well location for hearing at the next available Examiner Docket now set for June 25, 1986.

By copy of this letter, we are sending by certified mail a copy of this application to all offsetting operators. Should any operator desire further information they may contact the undersigned. They are also advised that they may attend the hearing and present evidence and witnesses in support or opposition to this application.

Very truly yours,


W. Thomas Kellahin

WTK:ca
Enc.

cc: (w/enc.)
Mr. Randall L. Davis
BHP Petroleum Company Inc.
1300 One First City Center
500 West Texas
Midland, Texas 79701

KELLAHIN and KELLAHIN

Mr. Richard L. Stamets
May 29, 1986
Page 2

(Certified Return-Receipt Requested)
All addressees below:

Amerada Hess Corporation
1625 Broadway
Dome Tower, Suite 2200
Denver, Colorado 80202

MTS LTD. Partnership
c/o Mesa Petroleum Company
P. O. Box 2009
One Mesa Square
Amarillo, Texas 79189-2009

Mesa Petroleum Company
P. O. Box 2009
One Mesa Square
Amarillo, Texas 79189-2009

Pennzoil Exploration &
Production Company
P. O. Box 1828
Midland, Texas 79702-1828

Inexco Oil Company
1860 Lincoln Tower Bldg.
Suite 500
Denver, Colorado 80295

G. D. Williamson
P. O. Box 2206
Roswell, New Mexico 88201

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

RECEIVED

MAY 29 1972

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF BHP PETROLEUM COMPANY INC.
FOR AN UNORTHODOX WELL LOCATION,
NORTHEAST LOVINGTON PENNSYLVANIAN POOL,
LEA COUNTY, NEW MEXICO.

CASE: 8927

A P P L I C A T I O N

Comes now BHP PETROLEUM COMPANY Inc., by and through its attorneys, Kellahin & Kellahin, and applies to the New Mexico Oil Conservation Division for approval of an unorthodox well location for its S. E. Dean Federal "10" #1 Well located 1000' FNL and 1100" FEL, Section 10, T16S, R37E, Lea County, New Mexico, and in support thereof would show:

1. Applicant is the operator and has the right to drill a 12,000 foot Strawn test in the N/2NE/4 of Section 10, T16S, R37E, Lea County, New Mexico.

2. Rule 4 of the Special Rules for the Northeast Lovington-Pennsylvanian Pool requires all wells to be located within 150 feet of the center of any governmental 1/41/4 section.

3. Applicant proposes to locate the subject well at an unorthodox well location 1000 feet FNL and 1100 feet FEL of subject Section 10, and to dedicate the N/2NE/4 of said Section 10 to the well.

4. The proposed location is necessitated because of geologic reasons.

5. The proposed location is only unorthodox because it is closer to the interior 1/41/4 line within the 80-acre spacing unit than permitted by Special Rules.

6. The proposed location will not adversely affect the correlative rights of any other operators and interest owners.

WHEREFORE, applicant requests that this application be set for hearing and that after notice and hearing the application be granted as requested.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'W. Thomas Kellahin', is written over the typed name and address.

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

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

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MAY 29 1966

OIL CONSERVATION DIVISION

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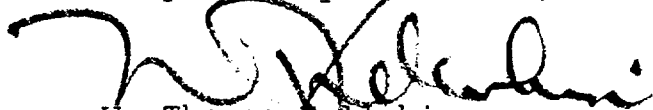
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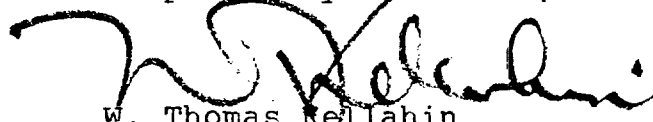
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