W. Thomas Kellahin Karen Aubrey

Jason Kellahin Of Counsel KELLAHIN, KELLAHIN AND AUBREY Attorneys at Law El Patio - 117 North Guadalupe Post Office Box 2265 Santa Fe, New Mexico 87504-2265

June 22, 1987

RECEIVED

Telephone 982-4285

Area Code 505

JUN 2 3 1987

Mr. William J. LeMay Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87504

OIL CONSERVATION DIVISION

Re: Phillips Petroleum Application Temporary Special Pool Rules, including a Special Allowable for the Cabin Lake Delaware Pool, Eddy County, New Mexico

Case 9178

Dear Mr. LeMay:

Please set the enclosed application for hearing on the next available docket now scheduled for July 15, 1987.

Very trul

WTK:ca Enc.

cc: G. R. Smith Phillips Petroleum Company 4001 Penbrook Odessa, Texas 79762

> William Mueller Phillips Petroleum Company 4001 Penbrook Odessa, Texas 79762

All Parties on Exhibit "A" to Application

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

RECEIVED

JUN 2 3 1987

IN THE MATTER OF THE APPLICATION		JUNA
OF PHILLIPS PETROLEUM COMPANY FOR		DIL CONSERVATION DIVISION
CREATION OF TEMPORARY SPECIAL POOL RULES,	, (	
INCLUDING A SPECIAL ALLOWABLE		
FOR THE CABIN LAKE DELAWARE POOL	÷.	6,174
EDDY COUNTY, NEW MEXICO.		CASE: 9178

## APPLICATION

COMES NOW PHILLIPS PETROLEUM COMPANY, by and through its attorneys, Kellahin, Kellahin & Aubrey and applies to the New Mexico Oil Conservation Division for the adoption of special rules and regulations for the Cabin Lake Delaware Pool, Eddy County, New Mexico, and in support thereof would show:

 Applicant is the operator of the discovery well for said pool being the James A. Well No. 2 located in Unit J of Section 2, T22S, R30E, Eddy County, New Mexico.

2. As a result of Nomenclature Case 9149 heard by the Division on June 3, 1987, the Cabin Lake-Delaware Pool was created comprising the SE/4 of said Section 2.

3. The current depth bracket allowable under statewide rules would be 107 barrels of oil per day.

4. Applicant requests that a special allowable of up to 300 barrels of oil per day be established for the pool.

-1-

5. The offset operators within one mile of the pool are as shown on Exhibit "A", each of whom has been notified of this application pursuant to Division rules.

6. Production at rates up to 300 barrels of oil per day will allow the pool to be operated at a pressure above the bubble point of the pool and therefore will not result in waste.

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

Respectfully submitted: By W. Ke Thomas P. O. Box 2265 Santa Fe, NM <sup>(87504)</sup>

A. C. Donell c/o 2109 Valley Road Oceanside, California 92056 Belnorth Petroleum Corporation 10,000 Old Katy Road, Suite 100 Houston, Texas 77055 Corrida Oils Inc. 3303 Lee Parkway, Suite 111 Dallas, Texas 75219 HNG Oil Company Box 2267 Midland, Texas 79702 KRS Associates 9 Whaling Road Darien, Conn. Ø682Ø Grace Energy Corporation Box 207 Carlsbad, New Mexico 88220 Linda J. Neilson 2109 Valley Road Oceanside, California 92056 Sid Richardson Carbon & Gasoline Company 201 Main Street Fort Worth, Texas 76102 Petroleum Development Corporation 9720-B Candelaria Road, N. E. Albuquerque, New Mexico 87112 Troporo Oil & Gas Company

619 W. Texas Midland, Texas 79701

Yates Petroleum Corporation 207 S. 4th Artesia, New Mexico 88210 STATE OF NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF PHILLIPS PETROLEUM COMPANY FOR CREATION OF TEMPORARY SPECIAL POOL RULES, INCLUDING A SPECIAL ALLOWABLE FOR THE CABIN LAKE DELAWARE POOL EDDY COUNTY, NEW MEXICO.

CASE: 9178

## CERTIFICATE OF MAILING AND COMPLIANCE WITH ORDER R-8054

In accordance with Division Rule 1207 (Order R-8054) I hereby certify that on June 23, 1987, notice of the hearing, and a copy of this application, were mailed at least twenty days prior to hearing originally set for July 15, 1987 to the operators and interested parties listed in Exhibit "A" attached to application.

Thomas Kellahin

SUBSCRIBED AND SWORN to before me this 22 day of

Notary Public

My Commission Expires:

9-20-80

June, 1987.