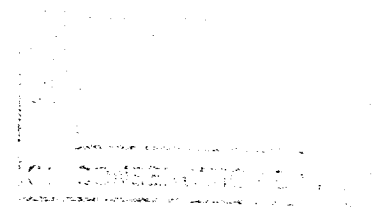


BEFORE THE
OIL CONSERVATION DIVISION



NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION
OF COLLINS & WARE, INC.,
FOR AN UNORTHODOX WELL LOCATION,
LEA COUNTY, NEW MEXICO.

CASE NO. _____

APPLICATION

COMES NOW COLLINS & WARE, INC., through its undersigned attorneys, hereby makes application to the Oil Conservation Division for an order approving an unorthodox well location and in support of this application states:

1. Applicant is the operator of the NW/4 NE/4 of Section 35, Township 14 South, Range 37 East, N.M.P.M., Lea County, New Mexico, and proposes to drill its T.D. Pope No. 32 Well in the Devonian formation, Denton Devonian Pool, to be located 102 feet from the North line and 1430 feet from the East line in Unit B of said Section 35.
2. Applicant seeks an exception to the well location requirements to permit the drilling of said well in the Devonian formation at the above-described location.
3. A standard 40-acre spacing and proration unit comprised of the NW/4 NE/4 of said Section 35 should be dedicated to the well.
4. This area has been substantially depleted and this location should enable applicant to recover reserves that otherwise will not be produced.