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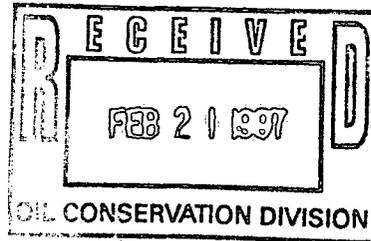
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February 19, 1997

VIA FAX. 505-827-8177
and FEDERAL EXPRESS

State of New Mexico
Oil Conservation Division
Attention: David Catanach, Examiner
2040 S. Pacheco Street
Santa Fe, NM 87505



*DAC
CASE FILE -
11724*

Re: West Lovington (Strawn) Unit Area, Lea County, New Mexico; Application of Gillespie-Crow, Inc., for Unit Expansion to Interest Owners
Currently Scheduled for **February 20, 1997** - (Case No. 11724)

Dear Mr. Catanach:

Please consider this correspondence to be an appearance and preservation of rights in the above-referenced matter on behalf of my clients Leonardo S. Anderson, Jr., and Laura Geraldine Anderson-Hill (Hurst, Chinello and Mandell).

My clients object to the application which is scheduled for hearing on February 20, 1997, and trust that you will take the comments expressed in this correspondence into consideration at the hearing.

The applicants' current application is merely a modification and repackaging of an effort which was made back in September, 1996, as Case No. 11599. The only reasonable conclusion of the facts presented by applicant is that the wells which applicant seeks to include have marginal production and/or they will be exhausted at some point in the future which is earlier than others already in the unit. Further their actual inclusion in the pool is doubtful. Further and most significantly, the only way that the operators of the wells can hope to have production benefits in the future would be to have them considered a part of an expanded pool and subject to sharing of pool-wide production benefits on a percentage basis. While the applicant may argue that my clients' percentage of working interest, although smaller, will be preserved or enhanced by increased by overall pool production (including the new wells), my clients conclude that such an argument is false. In fact they will be receiving a smaller percentage of a larger unitized pool without any increased production (or at least increases of a very short and limited time only followed by decreases).

Trusting these comments and objections will be given the due weight to which you deem them entitled, my clients hereby request that the applicant be denied the relief requested.

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I thank you for your cooperation and consideration in this matter and hereby request that notice of your ruling be mailed directly to this office at the above address.

Sincerely yours,

KLATCHKO & KLATCHKO



Philip S. Klatchko

PSK/tah

cc: Leonardo S. Anderson, Jr.
James Bruce, Esq. @ Hinkle, Cox, Eaton, Coffield & Hensley
Laura Geraldine Anderson-Hill, c/o Hurst, Chinello and Mandell