

OIL CONSERVATION DIVISION

July 25, 1995

Campbell, Carr, & Berge, P. A.
Attn: William F. Carr
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Santa Fe, New Mexico 87504-2208

Telefax No. (505) 983-6043

Kellahin and Kellahin
Attn: W. Thomas Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87504

Telefax No. (505) 982-2047

Re: *Division Case No. 11,334, Application of Phillips Petroleum Company for a determination in accordance with Section 70-2-33(H), NMSA (1978) of proportionate share of recoverable hydrocarbons and for the adoption of a special oil allowable for the South Peterson-Fusselman Pool, Roosevelt County, New Mexico.*

Dear Messrs. Carr and Kellahin:

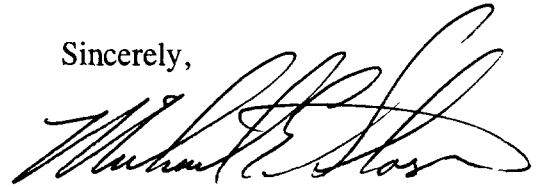
Reference is made to Mr. Kellahin's request on behalf of Phillips Petroleum Company ("Phillips") for an Emergency Order to immediately reduce the production rate on the Ensearch Exploration, Inc. ("Ensearch") Lambrith Well No. 1, located in Unit "K" of Section 31, Township 5 South, Range 33 East, NMPM, South Peterson-Fusselman Pool, Roosevelt County, New Mexico, to no more than 267 barrels of oil per day pending an order in this case and to Mr. Carr's motion, on behalf of Ensearch, to dismiss this case.

Subsequent to our meeting this morning and upon reviewing this matter further, I, as the designated hearing officer in this case, on behalf of the New Mexico Oil Conservation Division ("Division"), hereby deny Phillips' request for an emergency order and further will cause said Case 11334 to be dismissed when called at the Examiners Hearing scheduled for 8:00 am on Thursday, July 27, 1995.

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Should Phillips wish to pursue this matter further or seek any additional relief with respect to Order No. R-5771-C, issued by the New Mexico Oil Conservation Commission ("Commission") in *de novo* Case 10994 and dated April 18, 1995, Mr. Kellahin, you may approach the Division Director as Chairman of the Commission with any such request and/or renewal of this application.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", with a stylized, flowing script.

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: Oil Conservation Division - Hobbs
Case File 11,334
Case File 10,994
William J. LeMay - OCD Director, Santa Fe
Rand Carroll - General Counsel, OCD, Santa Fe
Divid R. Catanach - OCD, Santa Fe