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December 4, 1996

VIA FACSIMILE
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Mr. Michael E. Stogner
Hearing Examiner
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: NMOCD Case 11670
Application of CT-R, LTD Company and Chantrey
Corporation to amend Administrative Order NSP-7,
Lea County, New Mexico

NMOCD Case 11648
Application of Mewbourne Oil Company for compulsory
pooling, a non-standard spacing unit and an unorthodox well
location, Lea County, New Mexico.

Dear Mr. Stogner:

I have been advised that CT-R, LTD Company and Chantrey Corporation and Mewbourne Oil Company have reached an agreement with regards to this dispute. Accordingly, on behalf of the applicants, CT-R, LTD Company and Chantrey Corporation, I am requesting that the referenced case 11670 now pending hearing on the Examiner's docket schedule for December 5, 1996 be dismissed. Mr. Carr has advised me that he will dismiss that portion of the Mewbourne case 11648 dealing with compulsory pooling of my clients.

Very truly yours,

W. Thomas Kellahin

cfx: William F. Carr, Esq.

Attorney for Mewbourne Oil Company

cfx: CT-R, LTD Company and Chantrey Corporation

Denise Wann