STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR ANITA LOCKWOOD CABINET SECRETARY

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

June 25, 1992

HINKLE, COX, EATON, COFFIELD & HENSLEY Attorneys at Law 500 Marquette, NW Suite 800 Albuquerque, New Mexico 87102

RE:

CASE NO. 10484 ORDER NO. R-9684

Dear Sir:

Enclosed herewith are two copies of each of the above-referenced Division orders recently entered in the subject cases.

Sincerely,

Florene Davidson

Florence

OC Staff Specialist

FD/sl

cc:

BLM - Carlsbad

K. Aubrey Steve Keene

STATE OF NEW MEXICO



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September 10, 1992

Mr. James Bruce Hinkle, Cox, Eaton & Hensley Attorneys at Law Post Office Box 2068 Santa Fe, New Mexico 87504

Dear Mr. Bruce:

Based upon your letter of September 8, 1992, and in accordance with the provisions of Division Order No. R-9684, Mewbourne Oil Company is hereby granted an extension of time in which to begin the well on the unit pooled by said order until December 30, 1992.

Sincerely,

William J. LeMay

Director

WJL/sl

cc:

Case 10484

Mike Williams

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September 8, 1992

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ANDREW J. CLOUTIER JAMES A GILLESPIE GARY W. LARSON STEPHANIE LANDRY

Request to extend commencement deadline in Re:

Order No. R-9684

Dear Mr. LeMay:

We represent Mewbourne Oil Company. The above order was entered at Mewbourne's request, force pooling the N1 of Section 35 - 17 South - 28 East, in Eddy County. The order requires a well to be commenced on or before September 30, 1992. Mewbourne hereby requests that the commencement deadline be extended for 90 days. In support thereof, Mewbourne states:

- One of the parties pooled was DeKalb Energy Company. Dekalb was unable or unwilling to negotiate joinder with Mewbourne because it was in the process of selling substantially all of its U.S. assets. Dekalb's interests are in the process of being sold to Louis Dreyfus Natural Gas Company (the closing date is reportedly mid-September). While Dekalb did not enter its appearance in the case, Mewbourne would like additional time to try to negotiate voluntary joinder with Dreyfus. In addition, granting the extension will enable Mewbourne to continue its negotiations with Marathon Oil Company for voluntary joinder.
- Mewbourne is currently negotiating a multi-well drilling 2. package with a drilling contractor for wells to be drilled in the fourth quarter of 1992 and the first

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William J. LeMay September 8, 1992 Page Two

quarter of 1993. Extending the deadline would allow the subject well to be included within this package.

3. Due to the low gas prices encountered by the oil and gas industry in the first half of 1992, Mewbourne was forced to re-evaluate and restructure its drilling schedule. The restructured drilling schedule resulted in postponing the drilling commencement dates of several wells, including the subject well.

Your attention to this matter is appreciated.

Very truly yours,

HINKLE, COX, EATON, COFFIELD

& HENSLEY

James Bruce

JB:frs

c: W. Thomas Kellahin, Esq. (attorney for Marathon Oil Company)

D. Paul Haden