

December 23, 1998

Seely Oil Company 815 West Tenth Street Fort Worth, Texas 76102

Attn: Mr. David L. Henderson

RE: Injection Pressure Increase, Central 'EK' Queen Unit Lea County, New Mexico

Dear Mr. Henderson:

Reference is made to your requests dated December 16, 1998 to increase the surface injection pressure on two wells in the above referenced waterflood unit. These requests are based on step rate tests conducted on December 9 and 10, 1998. The results of the tests have been reviewed by my staff and we feel increases in injection pressure on these wells is justified at this time.

You are therefore authorized to increase the surface injection pressure on the following wells:

Well Name and Number	Location	Maximum Surface Injection Pressure		
Central 'EK' Queen No.12	Unit 'K' of Section 8	1589 PSIG		
Central 'EK' Queen Tract 7 No.1 Unit 'C' of Section 17 1720 PSIG				
All located in Township 18 South, Range 34 East, Lea County, New Mexico.				

The Division Director may rescind these injection pressure increases if it becomes apparent that the injected water is not being confined to the injection zone or is endangering any fresh water aquifers.

Sincerely,

in Renter / 6,15-5

Lori Wrotenbery, Director

LW/BES/kv

cc: Oil Conservation Division – Hobbs Files: Case No.10648; PSI-X 2nd QTR99



May 8, 1998

Seely Oil Company 815 West Tenth Street Fort Worth, Texas 76102

Attn: Mr. C.W. Stumhoffer

RE: Injection Pressure Increase, Central 'EK' Queen Unit Lea County, New Mexico

Dear Mr. Stumhoffer:

Reference is made to your requests dated January 23 and 29, 1998 to increase the surface injection pressure on three wells in the above referenced waterflood unit. These requests are based on step rate tests conducted from January 20 to 26, 1998. The results of the tests have been reviewed by my staff and we feel increases in injection pressure on these wells is justified at this time.

You are therefore authorized to increase the surface injection pressure on the following wells:

Well Name and Number	Location	Maximum Surface Injection Pressure		
Central 'EK' Queen Tract 5 No.1	Unit 'M' of Section 9	1929 PSIG		
Central 'EK' Queen Tract 6 No.1	Unit 'L' of Section 9	2199 PSIG		
Central 'EK' Queen Tract 11 No.2 Unit 'A' of Section 17 2405 PSIG				
All located in Township 18 South, Range 34 East, Lea County, New Mexico.				

The Division Director may rescind these injection pressure increases if it becomes apparent that the injected water is not being confined to the injection zone or is endangering any fresh water aquifers.

Sincerely,

rotenberg Lori Wrotenbery

Director

LW/BES/kv

cc: Oil Conservation Division – Hobbs Files: Case No. 10648; PSI-X 4th QTR98



April 21, 1998

Seely Oil Company 815 West Tenth Street Fort Worth, Texas 76102

Attn: Mr. C.W. Stumhoffer

RE: Injection Pressure Increase, Central 'EK' Queen Unit Lea County, New Mexico

Dear Mr. Stumhoffer:

Reference is made to your request dated January 27, 1998 to increase the surface injection pressure on the above referenced well. This request is based on a step rate test conducted on January 22, 1998. The results of the test have been reviewed by my staff and we feel an increase in injection pressure on this well is justified at this time.

You are therefore authorized to increase the surface injection pressure on the following well:

Well and Location	Maximum Surface Injection Pressure			
Central 'EK' Queen Tract 8 No.3	2336 PSIG			
Located in 'A' of Section 18, Township 18 South, Range 34 East, Lea County, New Mexico.				

The Division Director may rescind this injection pressure increase if it becomes apparent that the injected water is not being confined to the injection zone or is endangering any fresh water aquifers.

Sincerely,

notenber Lori Wrotenbery Director

LW/BES/kv

cc: Oil Conservation Division – Hobbs Files: Case No (10648; PSI-X 4th QTR98



May 7, 1997

Seely Oil Company 815 West Tenth Street Fort Worth, Texas 76102

Attention: Mr. Clarence W. Stumhoffer

Re: Central E-K Queen Unit Tract 5 Well No. 1 660' FSL & FWL (Unit M) Section 9, T-18S, R-34E

Dear Mr. Stumhoffer:

Reference is made to your letter dated October 17, 1996, regarding possible alternatives to conducting a mechanical integrity pressure test on the subject injection well. Please be advised that your request is hereby granted, subject to certain modifications described below:

1) a five year mechanical integrity pressure test shall not be required to be conducted on the Central E-K Queen Unit Tract 5 Well No. 1;

2) a water injection profile, witnessed by Division personnel and conducted as per Division guidelines, shall be conducted on the subject well at the present time and annually thereafter in order to determine that injected fluid is being confined to the injection interval from 4,387 feet to 4,422 feet.

Please notify the Hobbs district office of the Division of the date and time of conductance of the water injection profile(s) so that they may be witnessed.

Sincerely. William J. LeMay

William J. KeMay Division Director

xc: OCD-Hobbs-Attn: Gary Wink Case File-10648 SEELY OIL COMPANY 815 WEST TENTH STREET FORT WORTH, TEXAS 76102

MAR | | 1997

March 10, 1997

New Mexico Energy, Minerals & Natural Resources Department Oil Conservation Division 2040 South Pacheco Street Santa Fe, New Mexico 87505

> Re: Central EK Queen Unit Tract 5 Well No. 1 660' FSL and 660' FWL Section 9, T18S, R34E Lea County, New Mexico

Attention: Mr. David Catanach

Gentlemen:

Pursuant to your letter dated February 25, 1997 and our telephone conversation last week, we are submitting the following data in regard to the failure of the captioned well to pass a mechanical integrity pressure test as a water injection well:

- (1) Schematic diagram and well data sheet submitted during the NMOCD hearing seeking approval of the proposed water flood development of the Central EK Queen Unit.
- (2) Chronological log of work performed on this well during 1994 to repair a casing leak at a depth of 390 feet to 422 feet.
- (3) Pressure chart of the mechanical integrity pressure test run on this well on April 18, 1996 prior to conversion to water injection.

After you receive and review this data, we are available to discuss possible solutions to this matter that are acceptable to the NMOCD. New Mexico Energy, Minerals &

Page No. 2

Natural Resources Department Central EK Queen Unit Tract 5 Well No. 1 March 10, 1997

Please contact the undersigned at 817/332-1377 (or 817/923-2016. Thank you. Very truly yours, buse

SEELY OIL COMPANY

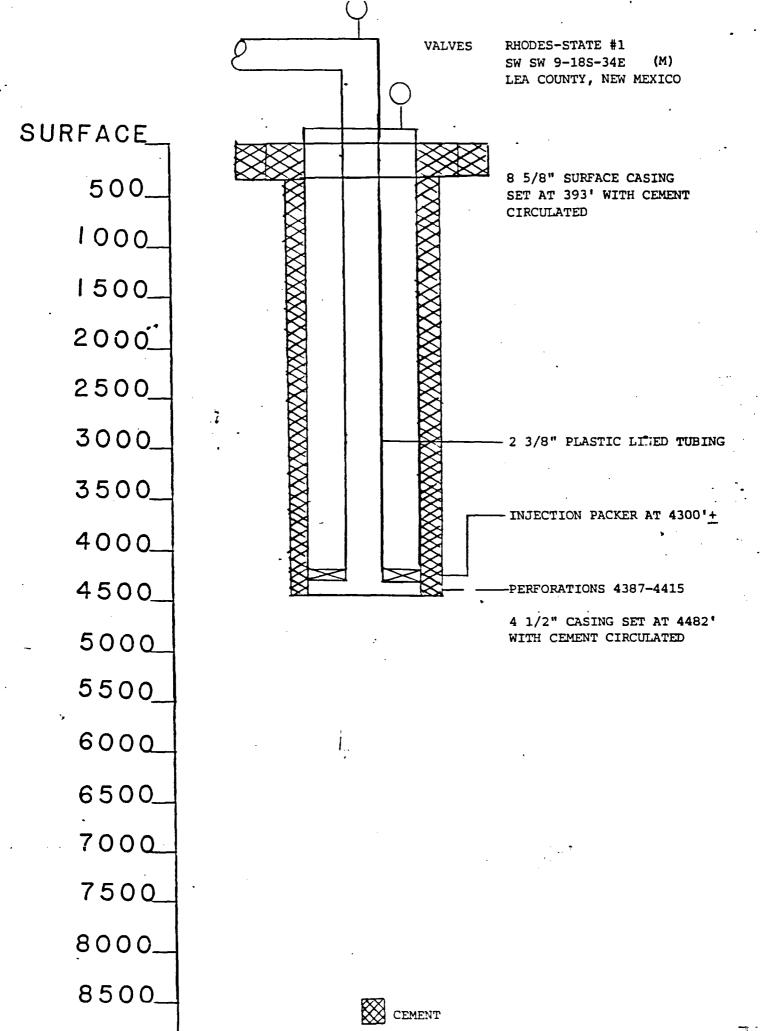
C.W. Stundell?

C. W. Stumhoffer Agent

CWS

cc: New Mexico Energy, Minerals & Natural Resources Department Oil Conservation Division P. O. Box 1980 Hobbs, New Mexico 88241-1980 Attention: Mr. Jerry Sexton

Enclosures: (1) Schematic Diagram (2) Workover Log (3) Pressure Chart



INJECTION WELL DATA SHEET

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Seely Oil Company		Rhodes St	ate			
OPERATOR		LEASC				
1 660' FSL &				185	34E	M
WELL NO. FOUTAGE LUCAT	TUN	SECTION		TOWNSHIP	RANGE	
Schematic	<u> </u>		Tabular	Data		
		Surface Casing				
See Attached.		Size <u>8-5/8" 24</u> #		Cemented	with275	8×.
prove a		TOC	feet	determiner	by <u>Circula</u>	ted
		Hole size <u>11"</u>	Se	t at <u>393</u> '		
		Intermediate Casi	ng			
		Size		Cemented	with	5×
		TOC				
		Hole size			· •••	
		Long string				
		Size <u>4-1/2" 10.</u>	<u>.5#</u> "	Cemented	with1	200 sx
		TOC	feet	determined	by <u>Circula</u>	ated
		Hole size/	/8"			
		Total depth 448				
		Injection interva	1			
		4387 f (perforated or op	eet to	4415	feet	
		(perforated or op	en-hole,	indicate w	nich)	

Tub	ing size <u>2-3/8"</u>	lined with	plastic		set in a
	Guiberson Uni-1	·····	packer at _		feet
(01	describe any other casin	ng-tubing seal).			
<u>Oth</u>	er Data				
1.	Name of the injection f	ormation Queen			
2.	Name of Field or Pool (if applicable) <u>E</u>	K Yates-Seven	Rivers-Queen	
3.	Is this a new well dril	led for injection?	17 Yes 1/27	No	
	If no, for what purpose	was the well origi	nally_drilled? _	0il producer :	in Queen
4.	Has the well ever been and give plugging detai	perforated in any o 1 (sacks of cement	ther zone(s)? L or bridge plug(s	ist all such perf) used) <u>None</u>	forsted intervals
5.	Give the depth to and n this area, <u>Yates 360</u>			ying oil or gas zo	ines (pools) in
	المرتب اليهينية الأنبية والمتعاولة فتبتر والمتعاولة والمتعاورة والمتعاولة				

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SEELY OIL COMPANY

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CENTRAL EK QUEEN UNIT TRACT 5 #1 LEA COUNTY, NEW MEXICO

- 5/29/94 MI&RU CU. POOH w/rods & tbg. SI.
- 5/30/94 SI for Sunday.
- 5/31/94 WIH w/RTTS & tbg. to 4040'. Dropped standing value & tested tbg. to 2500 psi. Fished standing value. Circulated hole clean. Set RTTS. Csg. would not hold pressure. POOH w/RTTS & tbg. WIH w/RBP, RTTS & tbg. Set RBP @ 4050'. Spotted 2 sxs. sand on top of plug. Isolated csg. leak from 390-422'.
- 6/1/94 POOH w/pkr. & tbg. Broke circulation out bradenhead. Cemented w/500 sxs. of Class C w/10% salt by circulating 100 sxs. of cement up and out bradenhead. Closed valve & pumped approx. 400 sxs. down hole. SION. WOC.
- 6/2/94 Drld. out cement. Attempted to pressure csg. After pressure reached 350 psi, csg. began leaking. SD. Pressure dropped to 200 psi in 10 mins. SION.
- 6/3/94 WIH w/overshot. Reversed sand off RBP. POOH w/RBP & tbg. WIH w/RTTS & tbg. Set RTTS @ 4265' KB. Ran a Temperature Tracer Profile log which showed that 70% of the fluid being pumped was entering the formation between 4400-4415'. POOH w/pkr. & tbg. SION.
- 6/4/94 Perforated from 4409-14' w/20 additional holes. Reset RBP @ 3800'. Squeezed w/50 sxs. Class C w/2% CaCl to 500 psi. SION.
- 6/5/94 Drld. out cement. Csg. could not pressure test. POOH w/bit, collars & tbg.
- 6/6/94 Pumped 100 sxs. Class C w/2% CaCl out csg. leak @ 1/2 BPM & 500 psi. After displacing 80 sxs. cement, pressure increased to 850 psi. SD. In 10 mins. pressure dropped to 500 psi. Attempted to re-pressure & formation broke down. Over-displaced by 2 bbls. SI 6 hrs. Cemented w/50 sxs. Thixotropic cement, followed by 100 sxs. Class C w/2% CaCl to 700 psi. SION.
- 6/7/94 Drld. cement from surface to 217'. SION.
- 6/8/94 Drld. cement from 217' to 437'. Tested csg. to 500 psi w/no bleed-off. POOH w/drill collars, bit & tbg.
- 6/9/94 WIH w/overshot & washed sand off RBP & POOH w/RBP. WIH w/mud anchor, tbg., pump & rods to return well to production.

FINAL REPORT

SEELY OIL COMPANY

CEKQU 5-1 WELL

LEA COUNTY, NEW MEXICO

4/12/96 MI&RUCU. Laid down rods & tbg. RD&MO CU.
4/13/96 SI - waiting on rods & tbg. thru 4/16/96
4/17/96 MI&RUCU. WIH w/2-3/8" Salta lined tbg., Watson tension pkr. & safety joint. Pkr. did not set. POOH w/pkr. & tbg. SION.
4/18/96 Set pkr. @ 4341'. Rigged down. Hooked up flowline.
4/19/96 SI. thru 5/1/96

5/2/96 Began water injection.

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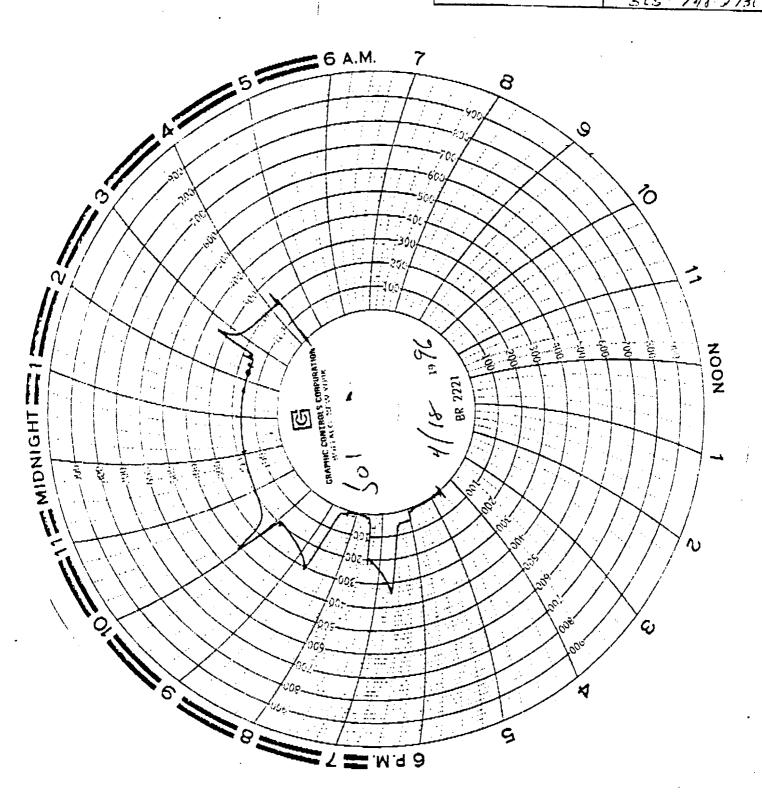
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TO: 8

817 332 1426 PØ1

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Post-it' Fax Note 7671	Date 3/7/47 pages /
TO DALLO PERIDERS. IL	From HERE
Co /Depi. SELLY	Co. HISCL
Phone #	Phone + Sins 146 662
Fax 4	Fax # 515 748 1731



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FEB- 7-97 FRI 9:18 AM OCD HOBBS

To. David Catenach

From DONNA

Energy & Minerals Department OIL CONSERVATION DIVISION P 0 Box,1980 Hobbs NM 88241

Telephone Number ______ (505) 393-6161

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For Your Files

Prepare a Reply for My
 Signature

For Your Review and	
Return	For Your Information
For Your Handling	For Your Approval
As Per Your Request	🗆 For Your Signature
Please Advise	For Your Attention

SEELY OIL COMPANY 815 WEST TENTH STREET FORT WORTH, TEXAS 76102

January 15, 1997

State of New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division P. O. Box 1980 Hobbs, New Mexico 88241-1980

> Re: Seely Oil Company-Operated Central EK Queen Unit E-K Yates Seven Rivers Queen Field Lea County, New Mexico Water Injection Matters

Attention: Mr. Jerry Sexton District Supervisor

Gentlemen:

A Star Star

This letter is to follow up on our recent telephone conversation in regard to two (2) matters regarding the Seely Oil Company-operated Central EK Queen Unit (CEKQU).

> Stipulation requirements of NMOCD Order R-9885-A regarding the requirements for water injection into CEKQU Tract 8 Well No. 3.

Attached is a copy of a letter dated November 7, 1996 from your office in which you verify these stipulation requirements have been met and that water injection into this well is authorized.

(2) Conversion CEKQU Tract 5 Well No. 1 to water injection as approved by NMOCD Order R-9885-A.

On October 17, 1996, Seely Oil Company submitted a letter in regard to the conversion of this well to water injection. A copy of this letter is enclosed herewith.

Enclosed with the October 17 letter was a completed NMOCD Form C-103 reporting the conversion of this well to water injection as approved by NMOCD Order No. R-9885-A. We have not received an approved copy of this Form C-103. We are enclosing a copy of this Form C-103 for your information in order to determine its status.

Page No. 2

State of New Mexico Oil Conservation Division Seely Oil Company-Operated Central EK Queen Unit January 15, 1997

> In the October 17 letter, we requested permission to deviate from the annual casing annulus testing requirements of the NMOCD for this well because of a casing problem that is discussed in the letter.

It is my understanding from my conversation with you that this proposed procedure will require approval in Santa Fe. Since you would be involved in the approval of this request, we submitted a copy of this letter for you to submit to Santa Fe.

Upon receipt of this information, please advise any suggestions on handling this matter if our proposal is not satisfactory.

Thank you for your assistance in this matter. Please contact the undersigned at 817/923-2016 should you have any questions or wish to discuss.

Very truly yours,

SEELY OIL COMPANY

C. W. Stim

C. W. Stumhoffer Petroleum Engineer

CWS

And the second second

Enclosures: (1) NMOCD November 7, 1996 Letter (Copy) (2) Seely Oil Company October 17, 1996 Letter (Copy) (3) NMOCD Form C-103 CEKQU Tract 5 Well No. 1 Dated October 17, 1996 (Copy)

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

POST OFFICE BOX 1980 HOBBS. NEW MEXICO \$4241-1980 (505) 393-6161

November 7, 1996

Clarence Stumhoffer Seely Oil Company 815 West Tenth Street Fort Worth, Texas 761Ø2

Re: Central EK Queen Unit Tr 8 #3-A, Sec. 18, T18S, R34E

Dear Mr. Stumhoffer:

This reply is in reference to your correspondence concerning the. stipulations of Division Order R-9885-A, regarding the requirements for injection into the above referenced well.

The information you submitted regarding the re-plugging of the Santa Fe Exploration, Inc. Lee Ranch Well No. 1 located in Unit I of Section 18, Township 18 South, Range 34 East, is sufficient to confirm that this well does not pose a threat to the area or formations affected by use of the Central EK Queen Unit Tr 8 #3 for injection purposes.

When the well is completed, all paper work has been submitted and approved, a pressure test conducted to insure the integrity of the well and injection equipment, you may use the well for injection.

We request 24 hours notice prior to the pressure test in order to witness the operation.

If you have any questions, please feel free to call.

Very truly yours

OL CONSERVATION DIVISION

Jerry Sexton Supervisor, District I

JS:bp

cc: David Catanach Ben Stone File

SEELY OIL COMPANY 815 WEST TENTH STREET FORT WORTH, TEXAS 76102

October 17, 1996

State of New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division P. O. Box 1980 Hobbs, New Mexico 88241-1980

> Re: Central EK Queen Unit E-K Yates Seven Rivers Queen Field Les County, New Mexico Conversion to Water Injection Tract 5 Well No. 1 660' FSL and 660' FWL Section 9, T185, R34E, NMPM

Attention: Mr. Jerry Sexton District Supervisor

Gentlemen:

We are submitting herewith for approval NMOCD Form C-103 for the conversion of the subject well to water injection as approved by NMOCD Order No. R-9885-A. Our apologies for neglecting to submit this notice of well status change in a timely manner.

As noted in the above referenced Form C-103, a very costly casing leak repair was performed on this well during 1994, and the pressure test of the casing annulus prior to commencement of water injection did not meet NMOCD regulations.

The well is now developing tubing injection pressure, and it will be necessary to address the casing annulus pressure test requirements.

In lieu of further costly attempts to completely shut of leakage through the casing leaks at 390' to 422', Seely Oil Company requests NMOCD approval to monitor casing annulus conditions as follows:

- Present: Run water injection profile survey to assure that all water being injected is entering the Queen interval through perforations from 4387' to 4422' meaning no fluid movement up hole.
- (2) Two years from present: Run a repeat water injection profile survey.
- (3) Future: Run repeat water injection profile surveys every three (3) years or earlier if determined to be necessary.

FAX NO. 16053930720 P.17

FEB- 7-97 FRI 9:19 AM 000 HOBBS

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Page No. 2

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State of New Mexico Oil Conservation Division Central EK Queen Unit Tract 5 Well No. 1 October 17, 1996

Your consideration and approval of this procedure to comply with regulations covering casing annulus pressure for the subject water injection well is respectfully requested.

Should you wish to discuss, please contact the undersigned through Seely Oil Company at 817/332-1377 or at my office telephone 817/923-2016.

Thank you.

Very truly yours,

SEELY OIL COMPANY

C. 41.

C. W. Stumhoffer Agent

CWS

Enclosure: Form C-103 dated October 17, 1996

cc: Oil Conservation Division Santa Fe, New Mexico 87505 Attention: Mr. David Catanach

FEB- 7-97 FRI 9:20 AM OCC HOBBS

Submit 3 Copies to Appropriate District Office	State of New Me. Egy, Minerals and Natural Re		- Form C-103 Revised 1-1-89
DISTRICT I P.O. Bax 1980, Hobbe, NM 88240	OIL CONSERVATION DIVISIÓN 2040 Pacheco St.		WELL API NO. 30-025-27432
DISTRICT II P.O. Drawer DD, Anadia, NM \$8210	· Santa Fe, N	4 87505	S. Indicate Type of Lease STATE X FEE
DISTRICT III 1000 Rio Brazos Rd., Azioc, NM \$7410			STATE C:
SUNDRY NOT	ICES AND REPORTS ON WEL	15	
(DO NOT USE THIS FORM FOR PA DIFFERENT RESE	OPOSALS TO DRILL OR TO DEEPEN RVOR. USE "APPLICATION FOR PEI -101) FOR SUCH PROPOSALS.)	OR PLUG BACK TO A	7. Lease Name or Unit Agreement Name
1. Type of Well: OE OAS		Injection Well	Central EK Queen Unit
2. Name of Operator			& Well No.
Seely Oil Company			Tract 5 Well No. 1
1. Address of Operator			9. Pool same or Wildeat
	t, Fort Worth, Texas 761	102	E-K Yates Seven Rivers Queen
4. Well Location Unit Letter M : 660) Fast From The South	Line and . é	660 Feet From The West Lin
	Township 18 South R		
Section 7	11/1/1/ 10. Elevation (Show whether	DF. RKB, RT. GR. Mc.)	NMPM Lea County
	4068'		
	Appropriate Box to Indicate 1	•	•
NOTICE OF IN	rention to:	SUE	BSEQUENT REPORT OF:
		REMEDIAL WORK	
	CHANGE PLANS		
PULL OR ALTER CASING	_	CASING TEST AND C	
OTHER: Convert to Wate	r Injection X	OTHER: Conv	version to Water Injection
mort) SEE RULE 1103. The conversion of Queen interval of the	E Central EK Queen Unit	Tract 5 Well No Queen Field thr	nding estimated data of maning any proposed b. 1 to water injection into cough casing perforations
During 1994, a discovered. After ext	ieak in the 4-1/2" OD ca	asing in this we Ir of this casin	ell from 390' to 422' was Ig leak, the casing was
was prepared for water Pumping equipment was	removed from the well,	by NMOCD Order and the well wa	al EK Queen Unit, this well No. R-9885-A during April '96. As equipped for water injection backer with safety joint at
I have certify that the information above as to	a and complete to the best of my blowledge and	l ballaf.	
SKONATUREC.W.	Struchoffer .	Agent	DATE October 17 '9
TYPE OR FRINT HALE C. W. St	umhoffer		817/332-1377 о телечние но.
(This spinse for State Use)			. 817/923-2016
ATTROVED BY	m	TE	DATE
CONDITIONS OF APPROVAL, IF ANY:			COPY

EAX NO. [5053930720

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ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

November 7, 1996

ASP FILE UG48

Clarence Stumhoffer Seely Oil Company 815 West Tenth Street Fort Worth, Texas 76102

Re: Central EK Queen Unit Tr 8 #3-A, Sec. 18, T18S, R34E

Dear Mr. Stumhoffer:

This reply is in reference to your correspondence concerning the stipulations of Division Order R-9885-A, regarding the requirements for injection into the above referenced well.

The information you submitted regarding the re-plugging of the Santa Fe Exploration, Inc. Lee Ranch Well No. 1 located in Unit I of Section 18, Township 18 South, Range 34 East, is sufficient to confirm that this well does not pose a threat to the area or formations affected by use of the Central EK Queen Unit Tr 8 #3 for injection purposes.

When the well is completed, all paper work has been submitted and approved, a pressure test conducted to insure the integrity of the well and injection equipment, you may use the well for injection.

We request 24 hours notice prior to the pressure test in order to witness the operation.

If you have any questions, please feel free to call.

Very truly yours

OL CONSERVATION DIVISION

Séxton 6rro

Supervisor, District I

JS:bp

cc: David Catanach Ben Stone File

STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

BRUCE KING GOVERNOR

November 17, 1994



POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

Seely Oil Company 815 West Tenth Street Fort Worth, Texas 76102

Be: B-9885-A Requirements

Gentlemen:

As per your request, I have reviewed the information you have submitted regarding the re-plugging of the Ohio Oil Company State EKA Well No. 5 located 1980 feet from the North line and 660 feet from the West line of Section 17, Township 18 South, Range 34 East.

The cement plug and the other information as shown on a copy of a section of the log on the above listed well, indicates sufficient cement coverage in relation to the Queen sand to prevent migration of fluids through this wellbore from the proposed Central EK Queen Unit injection well, Tract 7 No. 2, to be drilled at 1270 feet from the North line and 2590 feet from the West line of Section 17. Township 18 South, Range 34 East.

You may utilize the Central EK Queen Unit Tract 7 Well No. 2 for injection purposes, after drilling, completion, pressure test, and all paperwork is approved.

Very truly yours

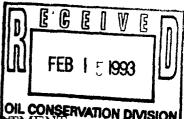
OAL CONSERVATION DIVISION

Jerry Sextón Supervisor, District I

JS:bp

cc: David Catanach File





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STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSES OF CONSIDERING:

THE APPLICATION OF SEELY OIL COMPANY FOR STATUTORY UNITIZATION, LEA COUNTY, NEW MEXICO

CASE NO. 10647

THE APPLICATION OF SEELY OIL COMPANY FOR A WATERFLOOD PROJECT AND QUALIFICATION FOR THE RECOVERED OIL TAX RATE, LEA COUNTY, NEW MEXICO

CASE NO. 10648

RESPONSE TO MOTION TO DISMISS

Seely Oil Company, by its undersigned attorneys, for its response to the motion of Marathon Oil Company, Ray Westall Operating Inc. and BTA Oil Producers' to dismiss the above-referenced cases with prejudice, states:

1. The Division issued a subpoena duces tecum on behalf of Ray Westall Operating Inc. and Marathon Oil Company directing Seely Oil Company to appear on January 7, 1993 and produce certain documents in the above-referenced cases.

 Seely Oil Company advised counsel for Marathon Oil Company and Ray Westall Operating Inc. that data which responded to the subpoena it would be provided by Seely.

3. On February 12, 1993, and prior to receiving the Motion to Dismiss, Seely supplied to counsel for Ray Westall Operating Inc. and Marathon Oil Company the following documents from the files of Seely Oil Company:

- A. Geology and Production History Proposed Central EK Queen Unit, E-K Yates-Seven Rivers-Queen Field (EK Queen) Lea County, New Mexico;
- B. Waterflood Prospect, Proposed Central EK Queen Unit, E-K Yates-Seven Rivers-Queen Field (EK Queen) Lea County, New Mexico;
- C. Plat of Queen Waterfloods in Lea County and Eddy County, New Mexico;
- D. Plat of Proposed Central EK Queen Unit with Traces for Crosssections;
- E. Structure Map: Top of Queen Formation;
- F. Production Decline Curve for Mobil EK Queen Unit, Lea County, New Mexico;
- G. Production Decline Curve for Murphy H. Baxter, North EK Queen Unit;
- H. Primary Production Curve for Proposed EK Queen Unit;
- I. Iso-Cumulative Map, EK Queen Field;
- J. Plat of EK Queen Unit (Exhibit A to Unit Agreement);
- K. Data Used and Assumptions Made in Preparing Cash Flow;
- L. Seely Oil Company Petroleum Economics Proved Producing;
- M. Seely Oil Company Central EK Queen Unit, Unit Participation by Tracts;
- N. Seely Oil Company Central EK Queen Unit, Participation for Cumulative Queen Oil Recovery Including Adjustment for Usable Wells;
- O. Seely Oil Company Central EK Queen Unit, Queen Oil Recovery as of 1/1/91;
- P. Seely Oil Company Central EK Queen Unit, Queen Oil Adjustment for Usable Wells;

- Q. Seely Oil Company Central EK Queen Unit, Unit Participation for Acreage Factor;
- R. Seely Oil Company Redesignation Unit Well Names and Numbers;
- S. Seely Oil Company Table Redesignation Well Names and Numbers; and
- T. Seely Oil Company Redesignation Unit Well Names and Numbers (Plat).
- 4. The hearing on these applications has been continued at the request of Seely

Oil Company until March 4, 1993, thereby providing Marathon and Westall ample opportunity to review to the information supplied on February 12, 1993.

WHEREFORE, Seely Oil Company requests that the Motion to Dismiss for failure to comply with subpoena duces tecum be denied.

Respectfully submitted,

CAMPBELL, CARR, BERGE & SHERIDAN, P.A.

Bv:

William F. Carr Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421

Attorneys for Seely Oil Company

CERTIFICATE OF SERVICE

I hereby certify that I have caused a true and correct copy of the foregoing to W. Thomas Kellahin, Esq., Post Office Box 2265, Santa Fe, New Mexico 87504-2265, on this 15th day of February, 1993.

f. Ear

RESPONSE TO MOTION TO DISMISS - Page 3

KELLAHIN AND KELLAHIN ATTORNEYS AT LAW

EL PATIO BUILDING

W. THOMAS KELLAHIN*

117 NORTH GUADALUPE POST OFFICE BOX 2265 *NEW MEXICO BOARD OF LEGAL SPECIALIZATION RECOGNIZED SPECIALIST IN THE AREA OF NATURAL RESOURCES-OIL AND GAS LAW SANTA FE. NEW MEXICO 87504-2265

JASON KELLAHIN (RETIRED 1991)

February 4, 1993

Robert G. Stovall, Esq. Counsel, Oil Conservation Division 310 Old Santa Fe Trail Santa Fe, New Mexico 87501

Michael E. Stogner Chief Hearing Officer/Engineer Oil Conservation Division 310 Old Santa Fe Trail Santa Fe, New Mexico 87501

Motion to Dismiss RE: NMOCD Cases 10647 and 10648 Applications of Seely Oil Company for Statutory Unitization and Approval of a Waterflood Project and Qualification for the Recovered Oil Tax Rate, Lea County, New Mexico

OIL CONSERVATION DIVISION

Gentlemen:

On behalf of Marathon Oil Company, Ray Westall Operating Inc. and BTA Oil Producers, Inc., please find enclosed our Motion to Dismiss the above-referenced cases for failure to comply with the Subpeona Duces Tecum issued in these cases.

Please advise me of Oil Conservation Division's decision with regard to this Motion as soon as possible. Thank you for your attention to this matter.

Very trůly W. Thomas Kellahin

WTK/jcl/mott204.092 Enclosure

xc: William F. Carr, Esq. (w/encl.) Marathon Oil Company (w/encl.) Ray Westall Operating Inc. (w/encl.) BTA Oil Producers, Inc. (w/encl.)

TELEPHONE (505) 982-4285 TELEFAX (505) 982-2047

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HAND DELIVERED

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STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSES OF CONSIDERING:

THE APPLICATION OF SEELY OIL COMPANY FOR STATUTORY UNITIZATION, LEA COUNTY, NEW MEXICO CASE NO. 10647

THE APPLICATION OF SEELY OIL COMPANY FOR A WATERFLOOD PROJECT AND QUALIFICATION FOR THE RECOVERED OIL TAX RATE, LEA COUNTY, NEW MEXICO CASE NO. 10648

MOTION TO DISMISS FOR FAILURE TO COMPLY WITH SUBPOENA DUCES TECUM

COMES NOW Marathon Oil Company, Ray Westall Operating Inc. and BTA Oil Producers, Inc, by and through counsel of record, and moves that the New Mexico Oil Conservation Division dismiss with prejudice the applications of Seely Oil Company for statutory unitization in Case 10647 and for waterflood project and other relief in Case 10648, as captioned above and as grounds therefore states:

(1) On November 24, 1992, Seely Oil Company filed
 its two applications before the New Mexico Oil
 Conservation Division seek approval of a waterflood

Motion to Dismiss OCD Case Nos. 10647 and 10648 Page 2

project and statutory unitization for its proposed Central EK Queen Unit Area, Lea County, New Mexico.

(2) The Division docketed the waterflood application as Case 10648 and the unit application as Case 10647 and set both applications for hearing on December 17, 1992

(3) Thereafter, the applicant continued its cases to the Examiner's docket set for January 7, 1993.

(4) At the request of Ray Westall Operating Inc. and Marathon Oil Company, on December 23, 1993 the Division issued a Subpoena Duces Tecum directed to Seely Oil Company to appear on January 7, 1993 and to produce certain specified documents. Attached hereto as Exhibit (1).

(5) On December 23, 1993, William F. Carr, counsel for Seely Oil Company, accepted the Subpoena on behalf of Seely Oil Company. See Exhibit (2), attached hereto.

(6) On December 29, 1992, counsel for Seely Oil Company and counsel for Marathon Oil Company and Ray Westall Operating Inc., agreed to a continuance of the OCD hearings to February 3, 1993 and agreed that Seely Oil Company would respond to the Subpoena Duces Tecum by January 13, 1993. See Exhibit (3), attached hereto. Motion to Dismiss OCD Case Nos. 10647 and 10648 Page 3

(7) By January 25, 1993 Seely Oil Company had failed to provide any documents in response to the subpoena and on that date demand was made upon counsel for Seely Oil Company to produce the subpoenaed documents by January 29, 1993.

(8) On January 25, 1993, BTA Oil Producers Inc. filed its appearance and joined Marathon Oil Company and Ray Westall Operating Inc. in opposition to Seely Oil Company's applications in these two cases.

(8) On January 28, 1993, counsel for Seely Oil Company agreed to provide that same day all data with the exception of two cross sections which he had not yet received and which would be furnished prior to hearing.

(9) As of February 4, 1993, despite representations of counsel for Seely Oil Company to provide the requested documents, no documents have been delivered in response to said subpoena and no objection or other response has been timely filed by Seely Oil Company.

WHEREFORE, Marathon Oil Company, Ray Westall Operating Inc., and BTA Oil Producers, Inc. move that the Division dismiss the referenced cases with prejudice for Motion to Dismiss OCD Case Nos. 10647 and 10648 Page 4

failure of the applicant to timely respond to the subject

Subpoena Duces Tecum.

Respectfully submitted,

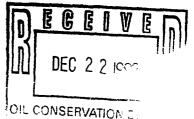
KELLAHIN AND KELLAHIN,

BY: Thomas Kellahin Ŵ.

Post Office Box 2265 Santa Fe, New Mexico 87504 (505) 982-4285

ATTORNEYS FOR MARATHON OIL COMPANY, RAY WESTALL OPERATING INC., AND BTA OIL PRODUCERS, INC.

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STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES BEFORE THE OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

THE APPLICATION OF SEELY OIL COMPANY FOR STATUTORY UNITIZATION, LEA COUNTY, NEW MEXICO.

CASE NO. 10647

THE APPLICATION OF SEELY OIL COMPANY FOR APPROVAL OF A WATERFLOOD PROJECT AND QUALIFICATION FOR THE RECOVERED OIL-TAX RATE, LEA COUNTY, NEW MEXICO. CASE NO. 10648

SUBPOENA DUCES TECUM

TO: SEELY OIL COMPANY c/o William F. Carr, Esq. Campbell, Carr, Berge & Sheridan Jefferson Place/110 N. Guadalupe P. O. Box 2208 Santa Fe, New Mexico, 87504

Pursuant to Section 70-2-8, NMSA (1978) and Rule 1211 of the New Mexico Oil Conservation Division's Rules of Procedure, you are hereby ORDERED to appear at 8:15 a.m., January 7, 1993, to the offices of the Oil Conservation Division, State Land Office Building, 310 Old Santa Fe Trail, Santa Fe, New Mexico 87501 and to produce the documents and items specified in attached

Page 1 of 10

EXHIBIT (1) Ten Pages

Exhibit A and to make available to Marathon Oil Company and Ray Westall Operating Inc. and their attorney, W. Thomas Kellahin, for copying, all of said documents.

This subpoena is issued on application of Marathon Oil Company and Ray Westall Operating Inc. through their attorneys, Kellahin & Kellahin, P. O. Box 2265, Santa Fe, New Mexico 87504.

Dated this 23rd day of December, 1992.

NEW MEXICO OIL CONSERVATION DIVISION

BY: DIRECTOR LEMAY,

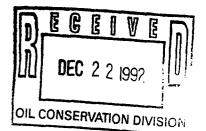


EXHIBIT "A"

TO SUBPOENA DUCES TECUM TO SEELY OIL COMPANY IN NEW MEXICO OIL CONSERVATION DIVISION CASES 10647 AND 10648

- I. FOR THE PROPOSED UNIT AND ANY WELL WITHIN THE UNIT PRODUCE THE FOLLOWING DOCUMENTS:
 - Any and all daily production data of oil, gas and water from first production to date;
 - 2. Any and all pressure data, including but not limited to bottom hole pressure surveys, daily tubing pressure and casing pressure surveys, with relevant information as to shut-in time and production rate prior to shut-in;
 - 3. Any and all Oil-Water Ratio Tests;
 - 4. Any and all reserve calculations, including but not limited to estimates of ultimate recovery, production decline curves, pressure decline curves, material balance calculations (including reservoir parameters), volumetric calculation (including reservoir parameters);

Page 3 of 10

- 5. Any and all reservoir studies, including but not limited to drainage calculations, well interference studies, pressure studies or well communication studies;
- 6. Any and all economic studies including but not limited to Cash Flow Economic Projections which state rate of return, years to payout net income/investment (return on investment), and undiscounted present worth;
- Any and all drilling agreements and contracts;
- 8. Any and all drilling, completing and operating expenses for each well including (a) the "AFE" costs submitted to owners and any revisions or supplements, (b) the actual costs to Seely, and (c) the actual charges to owners;
- 9. Any and all drilling and producing overheard charges for operations and a calculation of how those charges are allocated;
- 10. Describe in itemized detail to what extent does the equipment utilized or to be utilized on the wells in the unit come from Seely's

Page 4 of 10

inventory and to what extent is the equipment new or used. Include the basis for the charge in each category.

- 11. Complete daily drilling and completion reports from inception to the latest available date for each well; AND
- 12. Any and all geologic and/or engineering studies and interpretations by which you justify and evaluate the proposed unit;

II. OTHER INFORMATION ORDERED PRODUCED:

- Produce all documents discussing or evaluating the feasibility of the proposed Central EK Queen Unit.
- 2. Produce all documents concerning reservoir information for the proposed Central EK Queen Unit including but not limited to pool history, geology, production history, current status, petroleum engineering studies.
- 3. Produce all documents concerning the proposed boundary of the Central EK Queen Unit, including but not limited to how both the

Page 5 of 10

and the second second

horizontal and vertical boundaries were determined.

4. Produce all documents concerning the secondary recovery potential for the Central EK Queen Unit, including but not limited to the data used, the criteria for evaluation, the determination of original oil in place per tract, the determination of recoverable oil per tract, the determination of the remaining recoverable oil per tract, the estimated recoverable secondary oil per tract within the unit, and the reservoir "equity" parameters per tract prepared to determine participation factors for unitization.

5. Produce all documents concerning the unit participation formula factor calculation including but not limited to tabulation of the participation facto calculation by individual tracts and all ballots concerning voting on participation parameters and formulas by the working interest owners in the proposed unit.

Page 6 of 10

- Produce all documents concerning the technical committee formed for purposes of unitization including any Technical Committee Reports and minutes.
- 7. Produce all documents concerning the working interest owners committee formed for purposes of unitization including minutes of committee meetings.
- 8. Produce all documents concerning capital requirements including but not limited to surface facilities, drilling and completion costs, workover costs, testing and cores, wellbore dedication incentives and investment schedule.
- 9. Produce all documents concerning economics of the proposed unitization.
- 10. Produce all documents concerning the plan of unitization (unit agreement and all drafts) and the operating plan (joint operating agreement).
- 11. Produce all documents showing an allocation to the separately owned tracts in the proposed unit of all the oil and gas that is

Page 7 of 10

produced for the unit, the "relative value" of each separately owned tract for oil and gas purposes and its contributing value to the unit in relation to like values of other tracts in the unit as set forth in Section 70-7-4 (J) NMSA (1978).

12. Produce all documents showing efforts, if any, to make a good faith effort to secure voluntary unitization.

13. Produce all documents showing the basis for including each tract within the unit.

III. HEARING EXHIBITS ORDERED PRODUCE:

- Copies of any geologic exhibits for possible use by Seely Oil Company at the subject hearing;
- Copies of any engineering exhibits for possible use by Seely Oil Company at the subject hearing;
- Copies of any land exhibits for possible use by Seely Oil Company at the subject hearing;

Page 8 of 10

 Copies of any other exhibits which you could or may use at the hearing;

INSTRUCTIONS

This Subpoena Duces Tecum seeks all information available to you or in your possession, custody or control from any source, wherever situated, including but not limited to information from any files, records, documents, employees, former employees, counsel and former counsel. It is directed to each person to whom such information is a matter of personal knowledge.

When used herein, "you" or "your" refers to the person or entity to whom this Subpoena Duces Tecum is addressed to including all of his or its attorneys, officers, agent, employees, directors, representatives, officials, departments, divisions, subdivisions, subsidiaries, or predecessors.

The term "document" as used herein means every writing and record of every type and description in the possession, custody or control of Seely Oil Company, whether prepared by you or otherwise, which is in your possession or control or known by you to exist, including but not limited to all drafts, papers, books,

Page 9 of 10

writings, records, letters, photographs, tangible things, correspondence, communications, telegrams, cables, telex messages, memoranda, notes, notations, work papers, transcripts, minutes, reports and recordings of telephone or other conversations or of interviews, conferences, or meetings. It also includes diary entries, affidavits, statements, summaries, opinions, reports, studies, analyses, evaluations, contracts, agreements, jottings, agenda, bulletins, notices, announcements, plans, specifications, sketches, instructions charts, manuals, brochures, publications, schedules, price lists, client lists, journals, statistical records, desk calendars, appointment books, lists, tabulations sound recordings, computer printouts, books of accounts, checks, accounting records, vouchers, and invoices reflecting business operations, financial statements, and any notice or drafts relating to the foregoing, without regard to whether marked confidential or proprietary,. It also includes duplicate copies if the original is unavailable or if the duplicate is different in any way, including marginal notations, from the original.

subt1221.092

Kellahin and Kellahin

ATTORNEYS AT LAW EL PATIO BUILDING 117 NORTH GUADALUPE Post Office Box 2265

SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285 TELEFAX (505) 982-2047

W. THOMAS KELLAHIN*

NEW MEXICO BOARD OF LEGAL SPECIALIZATION RECOGNIZED SPECIALIST IN THE AREA OF NATURAL RESOURCES-OIL AND GAS LAW

December 23, 1992

William F. Carr, Esq. Campbell, Carr Berg & Sheridan 110 N. Guadalupe Santa Fe, New Mexico 87501

HAND DELIVERED

Re: Subpoena Duces Tecum NMOCD Cases 10647 and 10648 Applications of Seely Oil Corporation

Dear Mr. Carr:

On behalf of Marathon Oil Company and Ray Westall Operating Inc. I am delivering to you the original of the enclosed and referenced subpoena.

If you are unable to accept the subpoena for your client, please call me. Otherwise I have enclosed an acceptance for your signature.

Very truly yours Thomas Kellahi

EXHIBIT (2) One Page

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL WILLIAM F. CARR BRADFORD C. BERGE MARK F. SHERIDAN WILLIAM P. SLATTERY PATRICIA A. MATTHEWS

MICHAEL H. FELDEWERT

JACK M. CAMPBELL OF COUNSEL JEFFERSON PLACE SUITE I - 110 NORTH GUADALUPE POST OFFICE BOX 2208 SANTA FE, NEW MEXICO 87504-2208 TELEPHONE: (505) 988-4421 TELECOPIER: (505) 983-6043

December 29, 1992

HAND-DELIVERED

W. Thomas Kellahin, Esq. Kellahin and Kellahin 117 North Guadalupe Street Santa Fe, New Mexico 87501

> Re: Oil Conservation Division Cases 10647 and 10648: Applications of Seely Oil Company for Statutory Unitization, Approval of a Waterflood Project and Qualification for the Recovered Oil Tax Rate, Lea County, New Mexico

Dear Tom:

This letter confirms our conversation of December 28, 1992 in which we agreed to continue the hearing in the above-referenced cases to the Examiner hearings scheduled for February 3, 1993. We further agreed that we will respond to your Subpoena Duces Tecum by January 13, 1993.

Best regards.

Very truly yours,

1

WILLIAM F. CARR
WFC:mlh
cc: Mr. Clarence Stumhoffer
Seely Oil Company
6300 Ridgley Place, Suite 1007
Fort Worth, Texas 76116

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



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

November 17, 1993

RE: CASE NO. 10648 Order No. R-9885-A

Mr. William F. Carr Campbell, Carr, Berge & Sheridan Attorneys at Law Post Office Box 2208 Santa Fe, New Mexico 87504-2208

Dear Mr. Carr:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

Florene Davidson

Florene Davidson OC Staff Specialist

Copy of order also sent to:

Hobbs OCD_x____ Artesia OCD_x____ Aztec OCD_____ David Abbey



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL WILLIAM F. CARR BRADFORD C. BERGE MARK F. SHERIDAN WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS MICHAEL H. FELDEWERT

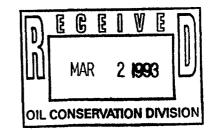
JACK M. CAMPBELL OF COUNSEL

HAND-DELIVERED

De

JEFFERSON PLACE SUITE I - 110 NORTH GUADALUPE POST OFFICE BOX 2208 SANTA FE, NEW MEXICO 87504-2208 TELEPHONE: (505) 988-4421 TELECOPIER: (505) 983-6043

March 1, 1993



William J. LeMay, Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources State Land Office Building Santa Fe, New Mexico 87503

> Re: Oil Conservation Division Case No. 10647: Application of Seely Oil Company for Statutory Unitization, Lea County, New Mexico

Oil Conservation Division Case No. 10648: Application of Seely Oil Company for Approval of a Waterflood Project and Qualification for the Recovered Oil Tax Rate, Lea County, New Mexico

Dear Mr. LeMay:

Seely Oil Company hereby requests that the above-referenced cases scheduled for hearing before a Division Examiner on March 4, 1993 be continued to the Examiner hearings scheduled for March 18, 1993.

Your attention to this request is appreciated.

ry truly yours,

WILLIAM F. CARR WFC:mlh cc: Mr. Clarence Stumhoffer W. Thomas Kellahin, Esq.

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL WILLIAM F. CARR BRADFORD C. BERGE MARK F. SHERIDAN WILLIAM P. SLATTERY

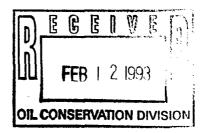
PATRICIA A. MATTHEWS MICHAEL H. FELDEWERT

JACK M. CAMPBELL OF COUNSEL JEFFERSON PLACE SUITE I - 110 NORTH GUADALUPE POST OFFICE BOX 2208 SANTA FE, NEW MEXICO 87504-2208 TELEPHONE: (505) 988-4421 TELECOPIER: (505) 983-6043

February 12, 1993

HAND-DELIVERED

William J. LeMay, Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources State Land Office Building Santa Fe, New Mexico 87503



Re: Oil Conservation Division Case No. 10647: Application of Seely Oil Company for Statutory Unitization, Lea County, New Mexico

Oil Conservation Division Case No. 10648:

Application of Seely Oil Company for Approval of a Waterflood Project and Qualification for the Recovered Oil Tax Rate, Lea County, New Mexico

Dear Mr. LeMay:

Seely Oil Company hereby requests that the above-referenced cases scheduled for hearing before a Division Examiner on February 18, 1993 be continued to the Examiner hearings scheduled for March 4, 1993.

Your attention to this request is appreciated.

Very truly yours,

WILLIAM F. CARR WFC:mlh cc: Mr. Clarence Stumhoffer W. Thomas Kellahin, Esq.

& SHERIDAN, P.A.

LAWYERS

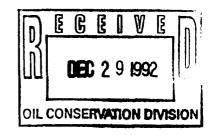
MICHAEL B CAMPBELL WILLIAM F CARR BRADFORD C BERGE MARK F. SHERIDAN WILLIAM P SLATTERY

PATRICIA A MATTHEWS MICHAEL H. FELDEWERT

JACK M. CAMPBELL OF COUNSEL JEFFERSON PLACE SUITE 1 - 110 NORTH GUADALUPE POST OFFICE BOX 2208 SANTA FE, NEW MEXICO 87504-2208 TELEPHONE (505) 988-4421 TELECOPIER (505) 983-6043

December 29, 1992

HAND-DELIVERED



William J. LeMay, Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources State Land Office Building Santa Fe, New Mexico 87503

> Re: Oil Conservation Division Case No. 10647: Application of Seely Oil Company for Statutory Unitization, Lea County, New Mexico

Oil Conservation Division Case No. 10648: Application of Seely Oil Company for Approval of a Waterflood Project and Qualification for the Recovered Oil Tax Rate, Lea County, New Mexico

Dear Mr. LeMay:

Seely Oil Company hereby requests that the above-referenced cases scheduled for hearing before a Division Examiner on January 7, 1993 be continued to the Examiner hearings scheduled for February 3, 1993.

Your attention to this request is appreciated.

Very truly yours,

WILLIAM F. CARR J WFC:mlh cc: Mr. Clarence Stumhoffer W. Thomas Kellahin, Esq.

KELLAHIN AND KELLAHIN

W THOMAS KELLAHIN*

ATTORNEYS AT LAW EL PATIO BUILDING 117 NORTH GUADALUPE POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285 TELEFAX (505) 982-2047

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CONSERVATION D



HAND DELIVERED

JASON KELLAHIN (RETIRED 1991)

"NEW MEXICO BOARD OF LEGAL SPECIALIZATION RECOGNIZED SPECIALIST IN THE AREA OF NATURAL RESOURCES-OIL AND GAS LAW

December 21, 1992

William J. LeMay Director Oil Conservation Division 310 Old Santa Fe Trail Room 219 Santa Fe, New Mexico 87501

RE: NMOCD Case Nos. 10647 and 10648 Applications for Seely Oil Company for Approval of a Waterflood Project and Qualification for the Recovered Oil-Tax Rate AND for Statutory Unitization, Lea County, New Mexico

Dear Mr. LeMay:

On behalf of Marathon Oil Company and Ray Westall Operating Inc., we respectfully request that the above referenced cases be continued from the January 7, 1992 Hearing Examiner's Docket to the January 21, 1992 Docket.

Very truly yours W. Thomas Kellahin

WTK/jcl William F. Carr, Esq. (Via Facsimile) xc: Marathon Oil Company Ray Westall Operating Inc.

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