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*NOT LICENSED IN NEW MEXICO

November 5, 1993

Florene Davidson
Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87503

Re: Application of Mewbourne Oil Company for Special
Pool Rules for the Walters Lake-Bone Spring Pool,
Eddy County, New Mexico

Dear Florene:

I am enclosing on behalf of Mewbourne Oil Company, the
original and two copies of an Application concerning the above-
referenced matter. Thank you.

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY

Fran Sowers
Fran Sowers, Secretary
to James Bruce

Enclosures

VIA HAND DELIVERY

FRS5\93K92.c

NEW MEXICO OIL CONSERVATION DIVISION
RECEIVED

1993 NOV 11 AM 9 57

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(915) 682-3715
FAX (915) 685-4170

OK
GIVE FILE

November 11, 1993

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico
Attn: Mr. David R. Catanach

RECEIVED
NOV 15 1993

Re: Loco Hills Prospect

Application for the Special Pool
Rules for the Walters Lake - Bone
Spring Pool
Twp. 18S, Rge. 30E
Eddy County, New Mexico

Case 10873

Gentlemen:

Yates Petroleum Corporation as an offset operator or owner of operating rights within one (1) mile of the Walters Lake - Bone Spring field has been advised of Mewbourne Oil Company's intent to seek the New Mexico Oil Conservation Division's approval for the promulgation of special rules and regulations for the Walters Lake - Bone Spring pool to increase the gas/oil ratio from the current 2,000 cubic feet of gas per barrel of oil produced to 5,000 cubic feet of gas per barrel of oil produced.


This letter is to advise the New Mexico Oil Conservation Division that Yates Petroleum Corporation hereby supports Mewbourne's application and has no objection to the approval of the above mentioned promulgation of special pool rules for the Walters Lake - Bone Spring field and hereby waives objection and notice of hearing on this application by Mewbourne Oil Company.

Sincerely,
Mewbourne Oil Company


Mike Bogart
Landman

MB/klc

Agreed to this 16th day of November, 1993.

By: 
Title: ATTY IN FACT

YATES PETROLEUM CORPORATION

10/20/93 10:00 AM
10/20/93 10:00 AM

ATWOOD, MALONE, MANN & TURNER

A PROFESSIONAL ASSOCIATION

ATTORNEYS AT LAW

400 NORTH PENNSYLVANIA

1100 UNITED BANK PLAZA

P. O. DRAWER 700

ROSWELL, NEW MEXICO 88202

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ROSS L. MALONE (1910-1974)

CHARLES F. MALONE
OF COUNSEL

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JOHN W. BASSETT
ROBERT E. SABIN
BRIAN W. COPPLE
STEVEN L. BELL
WILLIAM P. LYNCH
RODNEY M. SCHUMACHER
JOHN S. NELSON
FREDDIE J. ROMERO
LEE M. ROGERS, JR.
TIMOTHY A. LUCAS
VICTORIA S. ARENDS
JEFFERY D. TATUM
CRAIG A. ORRAJ
BRYAN EVANS
RICHARD J. VALLE

November 22, 1993



Case 10873

William J. LeMay, Director
Oil Conservation Division
P.O. Box 2088
Santa Fe NM 87504

Re: Application of Mewbourne Oil Company for Special Pool Rules,
Walters Lake-Bone Spring Pool, Eddy County, New Mexico

Dear Mr. Catanach:

The group I represent is named below, and owns overriding royalties in S/2SE/4, Section 35, Township 17 South, Range 30 East, Eddy County.

The application of Mewbourne Oil, to increase the gas-oil ratio from 2,000 cubic feet to 5,000 feet per barrel of oil has been made with respect to S/2, Section 2 and S/2NW/4, Section 3-18-30, the Walters Lake-Bone Spring Pool.

In Case No. 10827, heard September 27, 1993, Enron Oil and Gas Company which holds operating rights on our acreage, sought force pooling for a well to be drilled on a proration unit consisting of the S/2 of Section 35, and we assume the pooling application will be granted and that Enron will drill upon our acreage to the Morrow, which well would penetrate the Bone Spring.

The purpose of this letter is to request that the Oil Conservation Division give very careful study to the question whether granting of the Mewbourne Application on gas-oil ratio could, in any way, adversely affect production from the Bone Spring in the S/2 of Section 35.

Without any intention to dilute our request, stated immediately above, it seems to us that if the higher gas-oil ratio is granted to Mewbourne under their Application, then the same gas-oil ratio should be granted at this time to the S/2 of Section 35, for Bone Spring production, if it occurs; our acreage is within one mile of the Walters Lake-Bone Spring Pool.

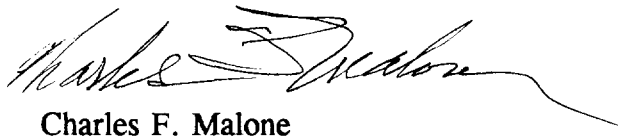
Letter to William J. LeMay
November 22, 1993
Page 2

The persons for whom this letter is written are:

Charles F. Malone
The Andersen-Malone Trust
B.W. Malone, Trustee for Edna M. Schwarz
Earl L. Malone, M.D.
B.W. Malone, Trustee for Jean A. Eaton
Six Devisees of Olga M. Atwood

Thank you for your kind attention to this matter, and with regards,

Very truly yours,

A handwritten signature in dark ink, appearing to read "Charles F. Malone", with a long, sweeping horizontal line extending to the right.

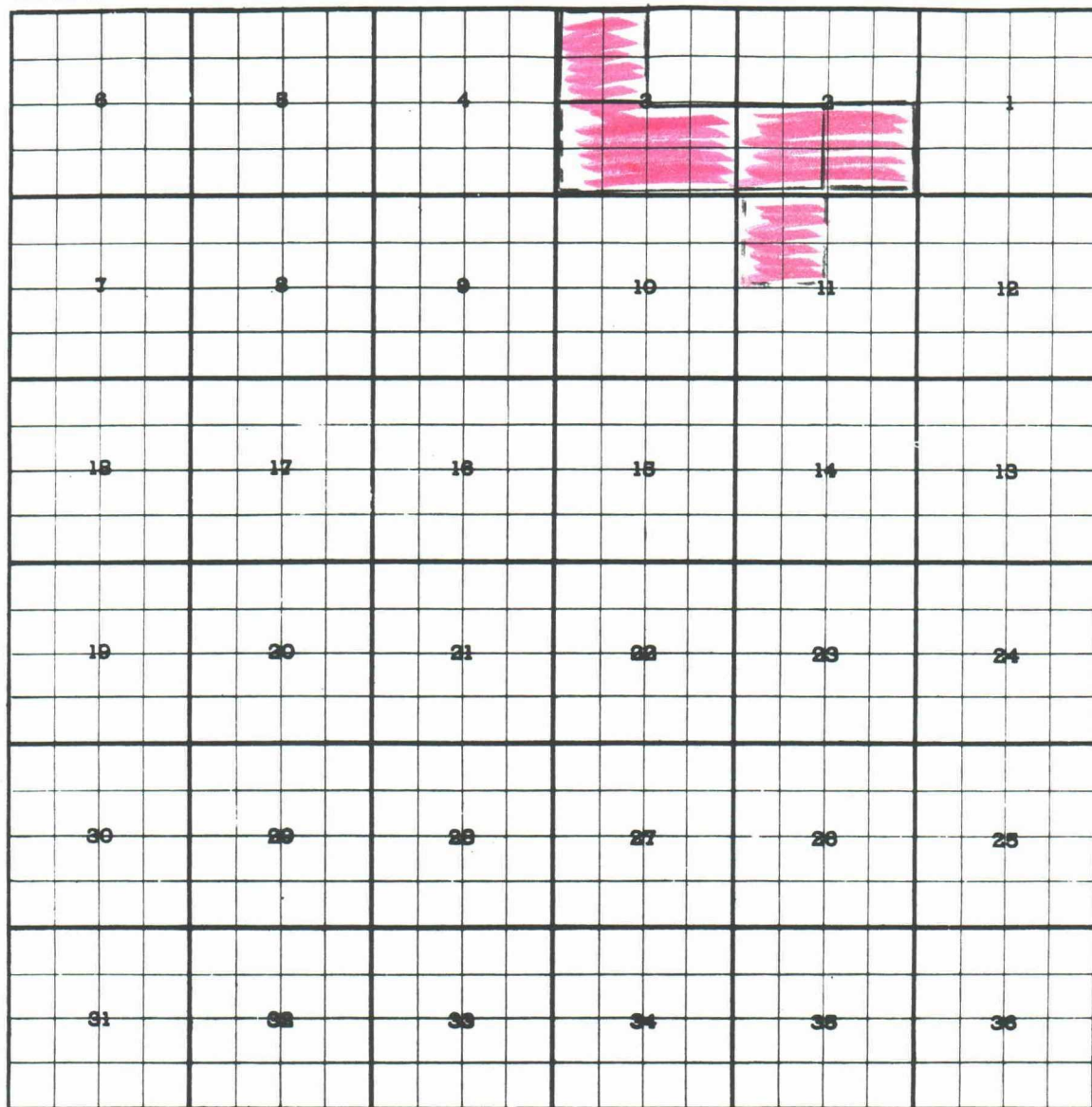
Charles F. Malone

CFM:dk

lc: James Bruce, Esquire
Ernest L. Padilla, Esquire
B.W. Malone, Trustee
Mewbourne Oil Company, Midland

County EDDY Pool WALTERS LAKE-BONE SPRING

TOWNSHIP 18 South, RANGE 30 East, NEW MEXICO PRINCIPAL MERIDIAN



DESCRIPTION: NW/4 sec 3 (R-8827, 12-22-88)

Ext: SW/4 Sec. 2, S/2 Sec. 3 (R-9578, 9-10-91) Ext: SE/4 Sec. 2 (R-9938, 8-17-93)

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY



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

December 16, 1993

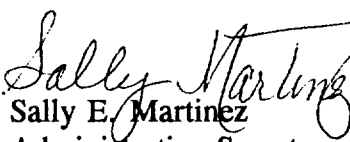
HINKLE, COX, EATON,
COFFIELD & HENSLEY
Attorneys at Law
P. O. Box 2068
Santa Fe, New Mexico 87501

RE: CASE NO. 10836
ORDER NO. R-10036

Dear Sir:

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

Sincerely,


Sally E. Martinez
Administrative Secretary

cc: BLM - Carlsbad
Donna McDonald

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

SANTA FE, NEW MEXICOHearing Date DECEMBER 2, 1993 Time: 8:15 A.M.

NAME	REPRESENTING	LOCATION
William A. San	Langbein, Orr, Fong & Skelton	Santa Fe
Pam McWhorter	Yates Petroleum.	Artesia
Diese Fly	Yates Pet.	Artesia
Maurice Trimmer	R W Pyram	Artesia
Brent May	Yates	Midland
Dave Shetzer	Membourne Oil Co.	Midland
DAN Winkleson	MEMBOURNE OIL &	TYLER
James H. Collins	EXACO E & P INC.	Midland
James R. Barber	Kelblin + Kelblin	Santa Fe
DAVE BONEALL	Klobzuba Oil & Gas	Ft Worth TX
Kathy Porter	YATES PETROLEUM	ARTESIA
James F. Bruce	Yates	Artesia
Paul Hader	Hinkle how Firm	SF
Gary Green	New Source Oil	Midland
Gene Davis	Santa Fe Energy	Midland
Don Rogers	Santa Fe Energy	Midland, TX
Karen Gubney	Santa Fe Energy	Midland
	Law Office of Karen Gubney	Santa Fe

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARINGSANTA FE, NEW MEXICOHearing Date DECEMBER 2, 1993 Time: 8:15 A.M.

NAME	REPRESENTING	LOCATION
Craig K	MARATHON OIL	MIDLAND, TX
Vann M Odom	MARATHON OIL CO	MIDLAND, TX
Jerry Hoover	Conoco	Midland TX
Don Rogers	Santa Fe Energy	Midland, TX
Pinson McWhorter	Yates Petroleum	Artesia, NM
Bill Hardie	CONOCO	Midland, TX
DAVID SCOTT	Conoco	Midland, TX
MARK MASCHER	Conoco	Midland TX