



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 3, 1994

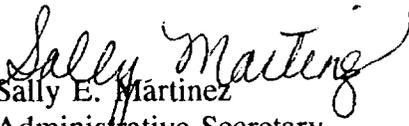
CAMBELL, CARR, BERGE
& SHERIDAN
Attorneys at Law
P. O. Box 2208
Santa Fe, New Mexico 87504

RE: CASE NO. 10983
ORDER NO. R-10127

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

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

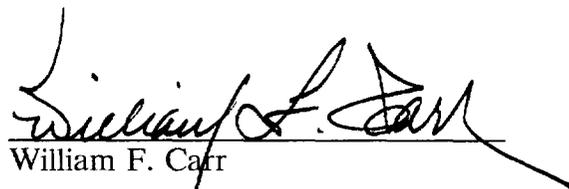
IN THE MATTER OF THE APPLICATION OF
COLLINS & WARE, INC., FOR A HIGH ANGLE/
HORIZONTAL DIRECTIONAL DRILLING PILOT
PROJECT, SPECIAL OPERATING RULES THEREFOR;
A NON-STANDARD OIL PRORATION UNIT;
AND A SPECIAL PROJECT ALLOWABLE,
EDDY COUNTY, NEW MEXICO.

CASE NO. 10983

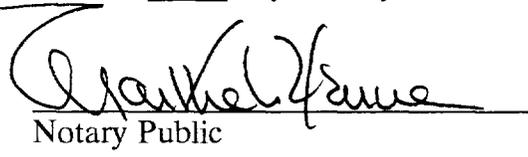
AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

William F. Carr, attorney in fact and authorized representative of Collins & Ware, Inc., the Applicant herein, being first duly sworn, upon oath, states that in accordance with the notice provisions of Rule 1207 of the New Mexico Oil Conservation Division the Applicant has attempted to find the correct addresses of all interested persons entitled to receive notice of this application and that notice has been given at the addresses shown on Exhibit "A" attached hereto as provided in Rule 1207.


William F. Carr

SUBSCRIBED AND SWORN to before me this 25th day of May, 1994.


Notary Public

My Commission Expires:
August 19, 1995

EXHIBIT A

Fortson Oil Company
301 Commerce Street, Suite 3301
Ft Worth, TX 76102-4133

**BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico**

Case No. 10983 Exhibit No. 7

Submitted by: Collins & Ware, Inc.

Hearing Date: May 26, 1994

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

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SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

May 5, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Fortson Oil Company
301 Commerce Street, Suite 3301
Ft. Worth, Texas 76102-4133

Re: Application of Collins & Ware, Inc. for a High Angle/Horizontal Directional Drilling Pilot Project, Special Operating Rules and a Special Project Allowable, Eddy County, New Mexico

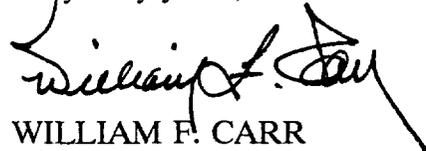
Gentlemen:

This letter is to advise you that Collins & Ware, Inc., has filed the enclosed application with the New Mexico Oil Conservation Division seeking approval to horizontally drill its Quahada Federal 31 No. 1 Well in the SW/4 NW/4 and NW/4 SW/4 of Section 31, Township 22 South, Range 29 East, N.M.P.M., in the East Herradura Bend-Delaware Pool.

This application has been set for hearing before an Examiner of the Oil Conservation Division on May 26, 1994. You are not required to attend the hearing, but as an owner of an interest that may be affected by this application, you may appear at the hearing and present testimony. Failure to appear at that time or otherwise become a party of record will preclude you from challenging this application at a later date.

Parties appearing in cases before the Division have been requested to file a Pre-hearing Statement substantially in the form prescribed by the Division (Oil Conservation Division Memorandum 2-90). Pre-hearing statements should be filed by 4:00 o'clock p.m., on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR COLLINS & WARE, INC.
WFC:mlh
Enclosure

