CHE CONCERNATION DIVISION RECEIVED

CAMPBELL & BLACK, P.A. LAWYERS '90 JAN 30 AM 9 09

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TELECOPIER: (505) 988-4421
TELECOPIER: (505) 983-6043

January 16, 1990

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Chevron U.S.A. Inc. Post Office Box 1150 Midland, Texas 79702

Re: Application of David H. Arrington Oil and Gas, Inc. for a Non-Standard

Proration Unit, Lea County, New Mexico

Gentlemen:

This letter is to advise you that David H. Arrington Oil and Gas, Inc. has filed an application with the New Mexico Oil Conservation Division seeking approval of a non-standard proration unit in the Jalmat Gas Pool consisting of the E/2 NW/4 and W/2 NE/4 of Section 21, Township 24 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

This application has been set for hearing before a Oil Conservation Division Examiner on February 7, 1990. You are not required to attend this hearing, but as an owner of an interest that may be affected by the non-standard proration unit, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Very truly yours

WILLIAM F. CARR

ATTORNEY FOR DAVID H. ARRINGTON OIL AND GAS, INC.

WFC:mlh

Chevron U.S.A., Inc. January 16, 1990 Page Two

This letter is to provide you with notice of this application as required by the Oil Conservation Division Rule 1207. If you have no objection to Tahoe's requests, please sign below and return one copy to us for filing with the Division. A self-addressed stamped envelope has been provided for your convenience.

Very truly yours,

WILLIAM F. CARR

ATTORNEYS FOR TAHOE ENERGY, INC.

APPROVAL

Company: Chevron U.S.A. Luc.

Bv: Clan W. Bohling Special Projects Engr.

WFC:mlh Enclosure

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January 17, 1990

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

RECEIVED

JAN 17 1990

OIL CONSERVATION DIV. SANTA FE

Case 7853

Re: In the Matter of the Application of David H. Arrington Oil and Gas, Inc. for a Non-Standard Gas Proration Unit, Lea County, New Mexico

Dear Mr. LeMay:

I would appreciate the Division continuing the above-referenced hearing from the January 24, 1990 Examiner docket to the February 7, 1990 Examiner docket.

Your assistance in this matter is appreciated.

Very truly yours,

WILLIAM F. CARR

WFC:mlh

cc: David H. Harrington
Arrington Oil & Gas, Inc.