

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

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

Case 9129 (DE NOVO)  
Order No. R-8653-A

APPLICATION OF VIRGINIA P. UHDEN,  
HELEN ORBESEN, AND CARROLL O.  
HOLMBERG TO VACATE DIVISION  
ORDER NOS. R-7588 AND R-7588-A,  
AND/OR FOR THE FORMATION OF SIX  
160-ACRE GAS PRORATION UNITS,  
SAN JUAN COUNTY, NEW MEXICO.

RECEIVED  
OCT 6 1988  
OIL CONSERVATION DIVISION

APPLICATION FOR REHEARING

Applicants, pursuant to N.M. Stat. Ann. § 70-2-25 (1987 Repl.) hereby apply for a rehearing of the above order. Applicants submit that the above order is erroneous as follows:

1. One well is not capable of effectively and efficiently draining 320 acres;
2. Applicants' property interest has been taken by state action without due process of law in contravention of the state and federal Constitutions;
3. Proper, adequate, and/or constitutionally sufficient notice was not given to applicants of the cases resulting in Order Nos. R-7588 and R-7588-A;
4. By entering into oil and gas leases, applicants did not waive their right to notice, pursuant to constitutional requirements, of the cases which resulted in increased spacing for the subject pool;

5. The correlative rights of other interest owners will not be impaired because any recovery by applicants will be solely against Amoco Production Company;

6. Finding No. 26 is not supported by the record; in the alternative, the lease language does not negate or waive applicants' constitutional rights;

7. Order Nos. R-7588 and R-7588-A, and Order Nos. R-8653 and R-8653-A are not supported by the law or the facts;

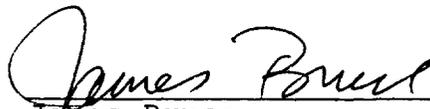
8. Applicants are not receiving their proper royalty payments pursuant to the law and the lease;

9. Finding No. 29 is not supported by the facts of this case; and

10. Royalty owners are necessary parties in spacing cases.

WHEREFORE, applicants request that Order Nos. R-8653 and R-8653-A be reversed, and that Order Nos. R-7588 and R-7588-A be vacated as to applicants.

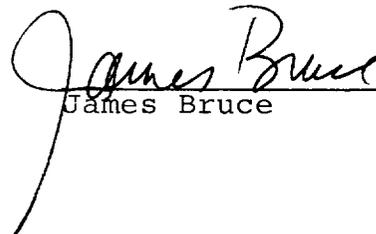
HINKLE, COX, EATON,  
COFFIELD & HENSLEY



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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing application for a rehearing were mailed this 6<sup>th</sup> day of October, 1988 to all opposing counsel of record.



James Bruce