KELLAHIN and KELLAHIN

Attorneys at Law

El Patio - 117 North Guadalupe

Post Office Box 2265
Santa Fe, New Mexico 87504-2265

Telephone 982-4285
Area Code 505

OIL CONSERVATION DIVISION

SANTA FE

Jason Kellahin
W. Thomas Kellahin
Karen Aubrey
James B. Grant

September 26, 1983

Mr. Joe D. Ramey Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Re: NMOCD Case 7971
Tenneco Oil Company
Compulsory Pooling
T30N,RllW, NMPM
Sec 2: E/2

Dear Mr. Ramey:

The above referenced case as docketed for hearing on September 28, 1983 contains an error in the description: The case application and advertisement shows Range 9 West which should have been Range 11 West.

I have verbally notified your office and had the case readvertised and continued to the Hearing to be held on October 26, 1983.

In addition, we will want the Division to consider entering an order reducing an excessive overriding royalty burden that affects the Northwest Pipeline-Phillips Petroleum Company interest. Specifically we will request that you declare some percentage of that interest as a reasonable overriding royalty burden and treat the excess as a working interest until payout of the penalty and well costs when it would revert back to a royalty interest.

By copy of this letter, we are notifying all interested parties of the foregoing. We are also enclosing a copy of the original application to all interest parties.

W. Thomas Kellahin

WTK:ca

Enc.

• KELLAHIN AND KELLAHIN

Mr. Joe D. Ramey September 26, 1983 Page 2

cc: Tenneco Oil Company
Attn: Jeff Elliott
P. O. Box 3249
Englewood, Colorado 80155

Northwest Pipeline Corporation Attn: Kathy Mitchell 1125 17th Street Suite 2140 Denver, Colorado 80202

Depco 110 16th Street Suite 1000 Denver, Colorado 80202

Phillips Petroleum Company (Denver) Attn: Mr. Gordon Buckmann 8055 E. Tufts Avenue Parkway Denver, Colorado 80237

Murphy Oil Corporation Attn: Jim Hunt 200 Jefferson Avenue El Dorado, Arkansas 79730

El Paso Natural Gas Company Attn: Mr. Van Gobel Box 1492 El Paso, Texas 79978