



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

July 10, 1996

Merrill Kempton  
P. O. Box 293  
Farmington, New Mexico 87499

Kellahin and Kellahin  
Attn: W. Thomas Kellahin  
P. O. Box 2265  
Santa Fe, New Mexico 87504

**Re:** Case No. 11,570, Application of Richardson Operating Company for Compulsory Pooling, Downhole Commingling, and an Unorthodox Gas Well Location, San Juan County, New Mexico.

Dear Messrs. Kempton and Kellahin:

Reference is made to Mr. Kempton's motion to continue the above-referenced case from the July 11, 1996 hearing to the hearing scheduled for July 25, 1996, by letter dated June 29, 1996 and to Richardson Operating Company's response by letter dated July 9, 1996 from Mr. W. Thomas Kellahin.

This matter will be presented at this Thursday's hearing at which time the case will be continued to the July 25, 1996 hearing date for re-advertisement. On July 25th additional testimony can be presented, after which this matter will be taken under advisement.

Sincerely,

Michael E. Stogner  
Chief Hearing Officer/Engineer

cc: Oil Conservation Division - Aztec  
Case File 11,570  
William J. LeMay - OCD Director, Santa Fe  
Rand Carroll - General Counsel, OCD, Santa Fe

**KELLAHIN AND KELLAHIN**

ATTORNEYS AT LAW

EL PATIO BUILDING

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POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

W. THOMAS KELLAHIN\*

\*NEW MEXICO BOARD OF LEGAL SPECIALIZATION  
RECOGNIZED SPECIALIST IN THE AREA OF  
NATURAL RESOURCES-OIL AND GAS LAWTELEPHONE (505) 982-4285  
TELEFAX (505) 982-2047

JASON KELLAHIN (RETIRED 1991)

July 9, 1996

**VIA FACSIMILE**  
(505) 827-8177

Mr. Michael E. Stogner  
Chief Hearing Examiner  
Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505

**Re: NMOCD CASE 11570 (Readvertised)**  
**ROPCO 15 GW "A" PC "B" FC Well No. 1**  
**First Amended Application of Richardson Operating Company**  
**for compulsory pooling, downhole commingling and**  
**an unorthodox gas well location**  
**San Juan County, New Mexico**

Dear Mr. Stogner:

On behalf of Richardson Operating Company, we filed this case now set for hearing on July 11, 1996. We desire to present our evidence at that hearing, but then, to have this case re-advertised for the July 25, 1996 docket in order to change the original location of 2275 feet FNL and 991 feet FEL to the new location of 2171 feet FNL and 775 feet FEL of Section 15.

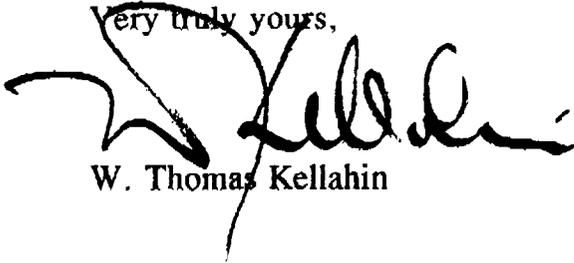
I am in receipt of a copy of a letter dated June 29, 1996 written to the Division by Mr. Merrill Kempton who is a royalty owner whom I notified because of the downhole commingling aspects of this case.

Mr. Kempton is also a surface owner and while the location of the well complies with the City of Farmington code for locating wells, he objects to having this well located on his property. He has taken that issue to the Planning and Zoning Commission of the City of Farmington which is scheduled to review Richardson's application for a special use permit and hear public comment on July 25, 1996.

Michael E. Stogner  
July 8, 1996  
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Mr. Kempton has requested the Division to continue this case until July 25, 1996. Richardson Operating Company is opposed to the continuance and desires to present this case to the Division on July 11, 1996 in order to comply with a request from the City of Farmington to have the Division decide the issues of prevention of waste and protection of correlative rights before the City of Farmington decides surface location and other issues under its jurisdiction.

Very truly yours,

A handwritten signature in black ink, appearing to read 'W. Thomas Kellahin', written over the typed name below.

W. Thomas Kellahin

cc: Richardson Operating Company  
Attn: Cathy Colby

cc: Merrill Kempton

**Merrill Kempton  
P.O.Box 293  
Farmington, N,M, 87499**

**Certified Mail**

**June 29, 1996**

**Mr. WilliamJ Le May  
Director Oil Conservation  
2040 South Pacheco  
Santa Fe, New Mexico 87505**

**Re: ROPCO 15 GW "A" PC "B" FC well No 1  
Application of Richardson Operating Co. for compulsory pooling  
downhole commingling and an unorthodox well. {unit H} E/2  
section 15, T 29N, R23 W, NMPM. San Juan County, NM.**

**Mr. LeMay :**

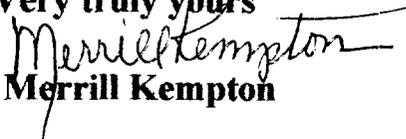
**I Have recieved a copy of a letter and documents sent to you as of  
June 18 1996 from Mr. W. Thomas Kellahin , attorney at law.**

**I am an intrested owner who definately will be affected by this  
application in this case and do intend to appear at the hearing.**

**Upon reviewing the documents I find there has been omitted from them  
one mentioned "Exhibit B". I will not know how much  
this document may effect my position and not being able to respond  
due to lack of time, I respectfully ask for a continuance for a later  
hearing date, which I believe will be a 25 July 1996 date.**

**Thank you for your consideration.**

**Very truly yours**

  
**Merrill Kempton**

**cc: Richardson operating Co.**

**Att: Cathy Colby**

**Kellahin And Kellahin---law firm**