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

## February 15, 2000

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Santa Fe, New Mexico 87504-2208

Re:

Case No. 12,343: Application of John H. Hendrix Corporation for an order pooling all mineral interests from the base of the Grayburg formation to the base of the Drinkard formation underlying the NE/4 SW/4 (Unit K) of Section 34, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico, in order to form a standard 40-acre oil spacing and proration unit for any formations and/or pools developed on 40-acre spacing within this vertical extent, including the Teaque-Paddock-Blinebry Pool and the Undesignated Imperial-Tubb-Drinkard Pool.

Dear Messrs. Gallegos:

Reference is made to Mr. Gallegos' motion (dated February 10, 2000), on behalf of Doyle Hartman, Oil Operator, and James A. Davidson, to dismiss the above-referenced case.

Subsequent to the Division's review of this matter, Case No. 12,343 will remain on the Division's docket to be heard at the hearing scheduled for Thursday, February 17, 2000.

Mr. Gallegos' alternate motion to have Doyle Hartman, Oil Operator, named as operator of the above-described 40-acre oil spacing and proration unit and associated well can be discussed further at Thursday's hearing.

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Michael E. Stogner

Chief Hearing Officer/Engineer

cc:

New Mexico Oil Conservation Division - Hobbs

Case File 12,343

Lori Wrotenbery, Director - NMOCD, Santa Fe Lyn Hebert - Legal Counsel, NMOCD, Santa Fe