

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

December 16, 1991



POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Mr. William F. Carr
Campbell, Carr, Berge & Sheridan
Attorneys at Law
Post Office Box 2208
Santa Fe, New Mexico 87504-2208

Dear Mr. Carr:

Based upon your letter of December 13, 1991, and in accordance with the provisions of Division Order No. R-9595, Chi Operating, Inc. is hereby granted an extension of time in which to begin the well on the unit pooled by said order until March 1, 1992.

Sincerely,

A handwritten signature in cursive script, appearing to read "William J. Lemay".

WILLIAM J. LEMAY
Director

WJL/fd

cc: ✓ Case No. 10389
Oil Conservation Division - Hobbs

CAMPBELL & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY
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JEFFERSON PLACE
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POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

December 13, 1991

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

SANTA FE
OIL CONSERVATION DIV.

DEC 12 1991

RECEIVED

Re: Oil Conservation Division Case No. 10389:
Application of Chi Operating, Inc. for Compulsory Pooling, Roosevelt
County, New Mexico

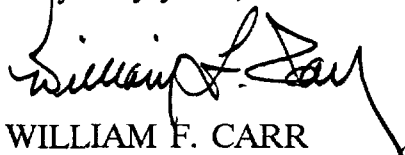
Dear Mr. LeMay:

By Division Order No. R-9595 the above referenced application of Chi Operating Inc. was granted pooling the W/2 equivalent of Section 5, Township 18 South, Range 37 East, N.M.P.M., Roosevelt County, New Mexico. This Order provided that the well should be commenced on this pooled unit on or before the 1st day of January, 1992.

Certain title problems have developed which have required Chi Operating, Inc. to undertake curative work on three tracts included in this pooled unit. Accordingly, they are unable to commence the well by January 1, 1992. Chi Operating, Inc., therefore requests that Order No. R-9595 be extended for sixty (60) days to enable it to complete this curative work and then proceed with the drilling of the proposed well on this tract.

Your attention to this request is appreciated.

Very truly yours,



WILLIAM F. CARR
WFC:mlh

cc: Mr. Bill Seltzer
214 West Texas, Suite 507
Midland, Texas 79701

*clearance - OK for
letter granting 60 day
ext.
Bill*

State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505



February 26, 1992

BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

MATTHEW BACA
DEPUTY SECRETARY

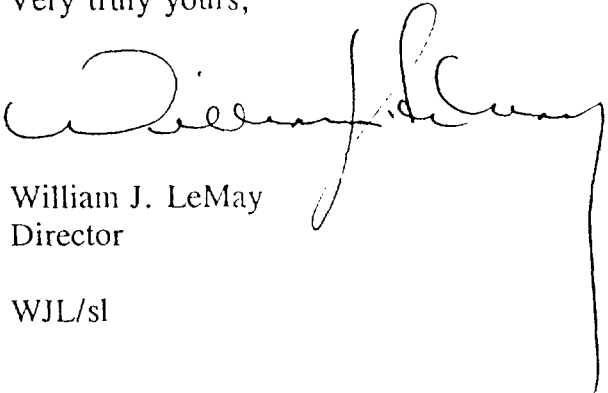
William F. Carr
Attorney at Law
Campbell, Carr, Berge
& Sheridan
P. O. Box 2208
Santa Fe, New Mexico 87504

RE: Oil Conservation Division Case No. 10389 - Application of Chi Operating, Inc. for Compulsory Pooling, Roosevelt County, New Mexico

Dear Mr. Carr:

In response to your letter of February 21, 1992 in which you requested an extension of the provisions of Order No. R-9595 to enable Chi Operating Company to commence a well on the pool acreage on or before January 1, 1993, I must inform you that this request is denied. It has been Division policy not to grant extensions beyond 120 days. By letter dated December 16, 1991, the Division granted Chi Operating Company a 60 day extension until March 1, 1992. We recognize that gas prices are currently depressed, but there is no guarantee that gas prices will rebound to a level which will allow Chi to drill the captioned well. Based on your letter of February 21, 1992, we are granting you one final extension until June 1, 1992 to commence drilling operations. No other extensions beyond June 1, 1992 are available under Order No. R-9595. In the event the well is not commenced by June 1, 1992 and Chi wishes to drill the captioned well after that date, Chi can apply administratively for a forced pooling order if notification and other OCD requirements are met.

Very truly yours,


William J. LeMay
Director

WJL/sl

VILLAGRA BUILDING - 408 Galisteo
Forestry and Resources Conservation Division
P.O. Box 1948 87504-1948
827-5830

Park and Recreation Division
P.O. Box 1147 87504-1147
827-7465

2040 South Pacheco
Office of the Secretary
827-5950

Administrative Services
827-5925

Energy Conservation & Management
827-5929

Mining and Minerals
827-5929

LAND OFFICE BUILDING - 310 Old Santa Fe Trail
Oil Conservation Division
P.O. Box 2088 87504-2088
827-5800

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& SHERIDAN, P.A.
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HAND-DELIVERED

February 21, 1992

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POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
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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

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FEB 21 1992
OIL CONSERVATION DIV.
SANTA FE

Re: Oil Conservation Division Case No. 10389:
Application of Chi Operating, Inc. for Compulsory Pooling, Roosevelt
County, New Mexico

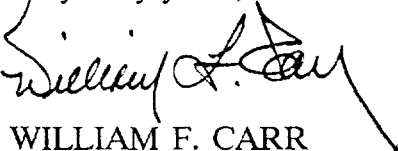
Dear Mr. LeMay:

By Division Order No. R-9595 the above referenced application of Chi Operating Inc. was granted pooling the W/2 equivalent of Section 5, Township 18 South, Range 37 East, N.M.P.M., Roosevelt County, New Mexico. This Order provided that a well should be commenced on this pooled unit on or before the 1st day of January, 1992. By letter dated December 16, 1991 you granted the request of Chi Operating Inc. to extend the time within which to begin the well on this pooled unit until March 1, 1992.

I have been advised by representatives of Chi Operating, Inc. that due to the excessive fall of gas prices in this area that they are unable to commence the well at this time and request an additional extension of the provisions of Order No. R-9595 to enable them to commence a well on the pooled acreage prior to January 1, 1993.

Your attention to this request is appreciated.

Very truly yours,



WILLIAM F. CARR
WFC:mlh

cc: Mr. Bill Seltzer
214 West Texas, Suite 507
Midland, Texas 79701

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR



POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

December 30, 1992

CAMBELL, CARR, BERGE
& SHERIDAN
Attorneys at Law
P. O. Box 2208
Santa Fe, New Mexico 87504

RE: CASE NO. 10602
ORDER NO. R-9595-A

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

A handwritten signature in cursive script that reads "Sally Leichtle".

Sally Leichtle
Administrative Secretary

cc: BLM Roswell Office
Steven Keene