

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

RECEIVED

MAY 18 1989

IN THE MATTER OF THE APPLICATION OF  
CURRY AND THORNTON FOR AN UNORTHODOX  
OIL WELL LOCATION AND NON-STANDARD  
PRORATION UNIT, CHAVES COUNTY,  
NEW MEXICO

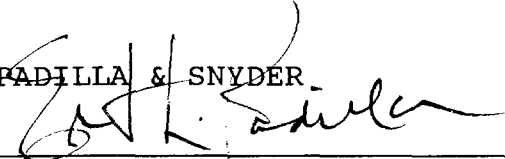
OIL CONSERVATION DIVISION

CASE 9617  
Order R-8917

APPLICATION FOR DENOVO HEARING

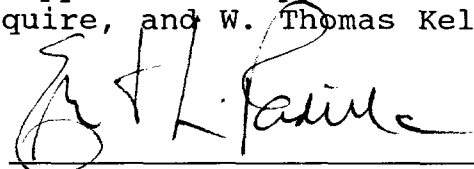
COMES NOW SANTA FE EXPLORATION COMPANY, by and through its attorneys, Padilla & Snyder, and states that it is an interested party of record adversely affected by Order R-8917 entered by the Division on April 19, 1989, and pursuant to Section 70-2-13 NMSA, 1978, files this application for a DeNovo hearing before the New Mexico Oil Conservation Commission.

PADILLA & SNYDER

  
Ernest L. Padilla  
Post Office Box 2523  
Santa Fe, New Mexico 87504-2523  
(505) 988-7577

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on May 18, 1989, he caused a true and correct copy of this Application to be mailed to William F. Carr, Esquire, and W. Thomas Kellahin, Esquire, Stevens Oil Company.

  
Ernest L. Padilla

CAMPBELL & BLACK, P.A.  
LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
J. SCOTT HALL  
JOHN H. BEMIS  
WILLIAM P. SLATTERY  
MARTE D. LIGHTSTONE  
PATRICIA A. MATTHEWS

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
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May 15, 1989

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

RECEIVED  
MAY 18 1989  
OIL CONSERVATION DIVISION

Re: Oil Conservation Division Case No. 9617; Order No. R-8917  
In the Matter of the Application of Curry and Thornton  
for an Unorthodox Oil Well Location and a Non-Standard  
Proration Unit, Chaves County, New Mexico

Dear Mr. LeMay:

Enclosed please find an application of Curry and Thornton for  
hearing de novo in the above-referenced case. We respectfully  
request that this matter be set for hearing before the full Oil  
Conservation Commission at the earliest possible date.

Your attention to this matter is appreciated.

Very truly yours,



WILLIAM F. CARR

Enclosures

WFC:mlh

cc w/enc: W. Thomas Kellahin, Esq.  
Ernest L. Padilla, Esq.  
Mr. Robert Thornton

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION RECEIVED  
OF CURRY AND THORNTON FOR AN  
UNORTHODOX OIL WELL LOCATION AND MAY 18 1989  
A NON-STANDARD PRORATION UNIT,  
CHAVES COUNTY, NEW MEXICO.

OIL CONSERVATION DIVISION CASE NO. 9617  
ORDER NO. R-8917

APPLICATION OF CURRY AND THORNTON  
FOR A DE NOVO HEARING

COMES NOW CURRY AND THORNTON by and through its undersigned attorneys, Campbell & Black, P.A., and pursuant to Section 70-2-13, N.M.S.A., 1978 states that it is a party adversely affected by Division Order R-8917 entered on April 19, 1989 in Case 9617 (Exhibit "A") and accordingly requests that this case be set for a De Novo hearing before the New Mexico Oil Conservation Commission.

Respectfully submitted,

Campbell & BLACK, P.A.

By: 

WILLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR CURRY AND THORNTON

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

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

CASE NO. 9617  
ORDER NO. R-8917

APPLICATION OF CURRY AND THORNTON  
FOR AN UNORTHODOX OIL WELL LOCATION  
AND A NON-STANDARD PRORATION UNIT,  
CHAVES COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on March 1, 1989, at Santa Fe, New Mexico, before Examiner Victor T. Lyon.

NOW, on this 19th day of April, 1989, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) The applicant, Curry and Thornton, owns the leasehold on the W/2 of Section 9, Township 14 South, Range 29 East, NMPM, Chaves County, New Mexico and desires to drill a well thereon for a non-standard unit consisting of the E/2 W/2 of said Section 9 at an unorthodox location 1980 feet from the South line and 2475 feet from the West line (Unit K) of said Section 9 in the King Camp-Devonian Pool.
- (3) Santa Fe Exploration and Exxon USA appeared at the hearing and opposed the subject application on the basis that the unorthodox location would impair correlative rights; and, if granted, a penalty should be assessed based upon an estimate of pool reserves under each tract.
- (4) The discovery well was drilled by Santa Fe Exploration at a standard location 1980 feet from the South and East lines of said Section 9.

(5) Special pool rules for said pool were promulgated by Order No. R-8806 after the hearing held in November, 1988 in Case No. 9529, and provided for 160-acre spacing and proration units consisting of a governmental quarter section with the well to be located not less than 660 feet from the unit boundary, nor less than 330 feet from an inner quarter-quarter section line, nor less than 1320 feet from the nearest well completed in said pool.

(6) Evidence was introduced in Case No. 9529 that there is a fault, down-thrown to the west, which traverses the W/2 of said Section 9 in generally a north-south direction continuing southward across Section 16. Additional evidence was introduced in this case which substantiates the existence of the fault.

(7) Santa Fe Exploration drilled a well east of the fault described above which was dry at a standard location 660 feet from the North line and 1980 feet from the East line of Section 16, one-half mile south of the discovery well. The revised geologic interpretation shows a second fault separating the second well from the first.

(8) Evidence indicates that approximately 60 acres east of the fault in the E/2 W/2 of Section 9 is potentially productive, and the applicant is entitled to drill a well to recover the reserves.

(9) A non-standard proration unit consisting of the E/2 W/2 would permit applicant to drill a single well to recover the oil under his lease, whereas two wells drilled for the NW/4 and SW/4 would be uneconomic, unnecessary and would cause waste from drilling an unnecessary well.

(10) There is inadequate data available to make an estimate of reserves with sufficient precision upon which a penalty could be assessed.

(11) Applicant requests an exception to two of the spacing requirements - the minimum distance from the outer boundary of the proration unit and the minimum distance between wells.

(12) Evidence at the hearing indicated that it is necessary to crowd the east line of the proration unit in order to avoid the fault but that a well could be drilled at the minimum distance from the nearest well.

(13) A penalty ( $P_1$ ) should be assessed for crowding the east line of the unit in proportion to the distance moved from a standard location toward that line or  $495/660 = 0.75$ .

(14) A further penalty ( $P_2$ ) should be assessed for crowding the nearest well in proportion to the distance the well is moved toward the nearest well from the minimum distance permitted, or  $495/1320 = 0.375$ .

(15) The combined penalties should be cumulative so that the proportion of the top allowable assigned at the proposed location would be  $(1-P_1) \times (1-P_2)$ , or  $.25 \times .625 = .15625$ .

(16) The distance moved toward the offsetting lease together with the depth of the well indicates a strong possibility the well may encroach even closer to the Santa Fe Exploration lease or even trespass on that lease, and therefore a continuous directional survey should be run on the well and a copy thereof filed with the Division so that the true location of the well at the productive interval can be determined.

(17) The penalty should be based upon the bottomhole location of the well using the procedure described in Finding Paragraphs (13) through (15), above.

(18) The drilling of the well with appropriate penalty as described above will afford the applicant the opportunity to produce its just and equitable share of the oil in the affected pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The application of Curry and Thornton for an unorthodox oil well location for the North King Camp-Devonian Pool is hereby approved for a well to be located at a point 1980 feet from the South line and 2475 feet from the West line of Section 9, Township 14 South, Range 29 East, NMPM, Chaves County, New Mexico.

(2) The E/2 W/2 of said Section 9 shall be dedicated to the above-described well forming a 160-acre non-standard oil spacing and proration unit for said pool.

(3) A continuous directional survey shall be run on the well and filed with the Division so that the bottomhole location at the producing interval may be determined.

(4) The depth bracket allowable for the well shall be penalized by using the following formula, based on the bottomhole location of the well:

- a. a penalty ( $P_1$ ) based on the proportion of distance the actual location is moved toward the boundary from the standard location;


Case No. 9617  
Order No. R-8917  
Page No. 4

- b. a penalty ( $P_1$ ) based on the proportion of distance the actual location is moved toward the nearest well from the minimum distance under the pool rules; and
- c. the product of  $(1-P_1) \times (1-P_2)$ .

(5) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY  
Director

S E A L

BEFORE THE

OIL CONSERVATION DIVISION

RECEIVED

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

MAY 18 1989

IN THE MATTER OF THE APPLICATION  
OF CURRY AND THORNTON FOR AN  
UNORTHODOX OIL WELL LOCATION AND  
A NON-STANDARD PRORATION UNIT,  
CHAVES COUNTY, NEW MEXICO.

OIL CONSERVATION DIVISION

CASE NO. 9617  
ORDER NO. R-8917

APPLICATION OF CURRY AND THORNTON  
FOR A DE NOVO HEARING

COMES NOW CURRY AND THORNTON by and through its undersigned attorneys, Campbell & Black, P.A., and pursuant to Section 70-2-13, N.M.S.A., 1978 states that it is a party adversely affected by Division Order R-8917 entered on April 19, 1989 in Case 9617 (Exhibit "A") and accordingly requests that this case be set for a De Novo hearing before the New Mexico Oil Conservation Commission.

Respectfully submitted,

Campbell & BLACK, P.A.

By: 

WILLIAM F. CARR  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
Telephone: (505) 988-4421

ATTORNEYS FOR CURRY AND THORNTON



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

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

CASE NO. 9617  
ORDER NO. R-8917

APPLICATION OF CURRY AND THORNTON  
FOR AN UNORTHODOX OIL WELL LOCATION  
AND A NON-STANDARD PRORATION UNIT,  
CHAVES COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on March 1, 1989, at Santa Fe, New Mexico, before Examiner Victor T. Lyon.

NOW, on this 19th day of April, 1989, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Curry and Thornton, owns the leasehold on the W/2 of Section 9, Township 14 South, Range 29 East, NMPM, Chaves County, New Mexico and desires to drill a well thereon for a non-standard unit consisting of the E/2 W/2 of said Section 9 at an unorthodox location 1980 feet from the South line and 2475 feet from the West line (Unit K) of said Section 9 in the King Camp-Devonian Pool.

(3) Santa Fe Exploration and Exxon USA appeared at the hearing and opposed the subject application on the basis that the unorthodox location would impair correlative rights; and, if granted, a penalty should be assessed based upon an estimate of pool reserves under each tract.

(4) The discovery well was drilled by Santa Fe Exploration at a standard location 1980 feet from the South and East lines of said Section 9.

(5) Special pool rules for said pool were promulgated by Order No. R-8806 after the hearing held in November, 1988 in Case No. 9529, and provided for 160-acre spacing and proration units consisting of a governmental quarter section with the well to be located not less than 660 feet from the unit boundary, nor less than 330 feet from an inner quarter-quarter section line, nor less than 1320 feet from the nearest well completed in said pool.

(6) Evidence was introduced in Case No. 9529 that there is a fault, down-thrown to the west, which traverses the W/2 of said Section 9 in generally a north-south direction continuing southward across Section 16. Additional evidence was introduced in this case which substantiates the existence of the fault.

(7) Santa Fe Exploration drilled a well east of the fault described above which was dry at a standard location 660 feet from the North line and 1980 feet from the East line of Section 16, one-half mile south of the discovery well. The revised geologic interpretation shows a second fault separating the second well from the first.

(8) Evidence indicates that approximately 60 acres east of the fault in the E/2 W/2 of Section 9 is potentially productive, and the applicant is entitled to drill a well to recover the reserves.

(9) A non-standard proration unit consisting of the E/2 W/2 would permit applicant to drill a single well to recover the oil under his lease, whereas two wells drilled for the NW/4 and SW/4 would be uneconomic, unnecessary and would cause waste from drilling an unnecessary well.

(10) There is inadequate data available to make an estimate of reserves with sufficient precision upon which a penalty could be assessed.

(11) Applicant requests an exception to two of the spacing requirements - the minimum distance from the outer boundary of the proration unit and the minimum distance between wells.

(12) Evidence at the hearing indicated that it is necessary to crowd the east line of the proration unit in order to avoid the fault but that a well could be drilled at the minimum distance from the nearest well.

(13) A penalty ( $P_1$ ) should be assessed for crowding the east line of the unit in proportion to the distance moved from a standard location toward that line or  $495/660 = 0.75$ .

(14) A further penalty ( $P_2$ ) should be assessed for crowding the nearest well in proportion to the distance the well is moved toward the nearest well from the minimum distance permitted, or  $495/1320 = 0.375$ .

(15) The combined penalties should be cumulative so that the proportion of the top allowable assigned at the proposed location would be  $(1-P_1) \times (1-P_2)$ , or  $.25 \times .625 = .15625$ .

(16) The distance moved toward the offsetting lease together with the depth of the well indicates a strong possibility the well may encroach even closer to the Santa Fe Exploration lease or even trespass on that lease, and therefore a continuous directional survey should be run on the well and a copy thereof filed with the Division so that the true location of the well at the productive interval can be determined.

(17) The penalty should be based upon the bottomhole location of the well using the procedure described in Finding Paragraphs (13) through (15), above.

(18) The drilling of the well with appropriate penalty as described above will afford the applicant the opportunity to produce its just and equitable share of the oil in the affected pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The application of Curry and Thornton for an unorthodox oil well location for the North King Camp-Devonian Pool is hereby approved for a well to be located at a point 1980 feet from the South line and 2475 feet from the West line of Section 9, Township 14 South, Range 29 East, NMPM, Chaves County, New Mexico.

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Case No. 9617  
Order No. R-8917  
Page No. 4

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- c. the product of  $(1-P_1) \times (1-P_2)$ .

(5) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY  
Director

S E A L

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION  
OF CURRY AND THORNTON FOR AN  
UNORTHODOX OIL WELL LOCATION AND  
A NON-STANDARD PRORATION UNIT,  
CHAVES COUNTY, NEW MEXICO.

RECEIVED

MAY 18 1989

OIL CONSERVATION DIVISION

CASE NO. 9617

ORDER NO. R-8917

APPLICATION OF CURRY AND THORNTON  
FOR A DE NOVO HEARING

COMES NOW CURRY AND THORNTON by and through its undersigned attorneys, Campbell & Black, P.A., and pursuant to Section 70-2-13, N.M.S.A., 1978 states that it is a party adversely affected by Division Order R-8917 entered on April 19, 1989 in Case 9617 (Exhibit "A") and accordingly requests that this case be set for a De Novo hearing before the New Mexico Oil Conservation Commission.

Respectfully submitted,

Campbell & BLACK, P.A.

By: 

WILLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR CURRY AND THORNTON

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

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

CASE NO. 9617  
ORDER NO. R-8917

APPLICATION OF CURRY AND THORNTON  
FOR AN UNORTHODOX OIL WELL LOCATION  
AND A NON-STANDARD PRORATION UNIT,  
CHAVES COUNTY, NEW MEXICO

ORDER OF THE DIVISION

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(1) The application of Curry and Thornton for an unorthodox oil well location for the North King Camp-Devonian Pool is hereby approved for a well to be located at a point 1980 feet from the South line and 2475 feet from the West line of Section 9, Township 14 South, Range 29 East, NMPM, Chaves County, New Mexico.

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Case No. 9617  
Order No. R-8917  
Page No. 4

- b. a penalty ( $P_2$ ) based on the proportion of distance the actual location is moved toward the nearest well from the minimum distance under the pool rules; and
- c. the product of  $(1-P_1) \times (1-P_2)$ .

(5) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY  
Director

S E A L

PADILLA & SNYDER

ATTORNEYS AT LAW

200 W. MARCY, SUITE 216

P.O. BOX 2523

SANTA FE, NEW MEXICO 87504-2523

(505) 988-7577

ERNEST L. PADILLA  
MARY JO SNYDER

FAX 988-7592  
AREA CODE 505

May 18, 1989

RECEIVED

MAY 18 1989

OIL CONSERVATION DIVISION

HAND-DELIVERY

Mr. William J. LeMay  
Director  
Oil Conservation Division  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87501

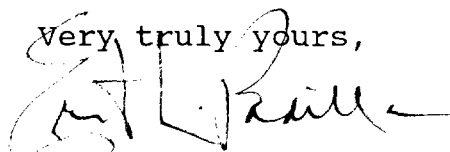
Re: Curry and Thornton Application; Case No. 9617,  
Order R-8917

Dear Mr. LeMay:

Enclosed please find an Application for Denovo Hearing submitted by Santa Fe Exploration with regard to the above-referenced case.

Should you require additional information or have any questions regarding this application, please let me know.

Very truly yours,



Ernest L. Padilla

ELP:njp  
Enclosure as stated  
293.7

cc: Santa Fe Exploration (w/encl.)  
William F. Carr, Esq. (w/encl.)  
W. Thomas Kellahin, Esq. (w/encl.)  
Stevens Oil Company (w/encl.)

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
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PATRICIA A. MATTHEWS

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

June 28, 1989

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

Re: Case No. 9617:  
Application of Curry & Thornton for an Unorthodox Oil  
Well Location and Non-Standard Proration Unit, Chaves  
County, New Mexico

Case No. 9670:  
Application of Stevens Operating Corporation to Amend  
Division Order R-8917, Directional Drilling, and an  
Unorthodox Oil Well Location, Chaves County, New Mexico

Case No. 9697:  
Application of Santa Fe Exploration Company for Amendment  
of the North-King Camp Devonian Oil Pool, Special Pool  
Rules, Chaves County, New Mexico

Dear Mr. LeMay:

It is my understanding that Case No. 9617 and Case No. 9670 are  
scheduled for hearing De Novo before the Oil Conservation  
Commission on July 20, 1989 and that Case No. 9617 is set for  
hearing before Division Examiner on July 12, 1989

As you are aware, each of these cases involves the development of  
the North-King Camp Devonian Oil Pool and the testimony in each of  
the cases will be identical in many respects. Furthermore, Stevens  
Operating Corporation is currently drilling a well pursuant to the  
provisions of Order No. R-8917-A in this pool.

RECEIVED  
JUN 28 1989  
OIL CONSERVATION DIVISION

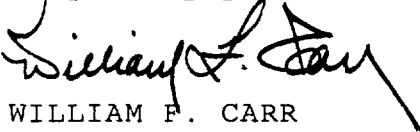
William J. LeMay, Director  
Oil Conservation Division  
June 28, 1989  
Page Two

The purpose of this letter is to request that the scheduled hearings in each of the above-referenced cases be continued and set before the full Oil Conservation Commission at its regularly scheduled Commission hearing in August, 1989. This continuance and consolidation of all three cases will enable Stevens Operating Corporation to complete the drilling of the above-referenced well thereby having all data necessary to go forward with a hearing before the Commission and, furthermore, will permit all questions involving the development of this pool to be heard by one body, at one time, and will result in one final determination of all questions involving the development of this pool.

I have reviewed this request will Ernie L. Padilla, attorney for Santa Fe Exploration Company and can advise that Mr. Padilla has conferred with his client and they concur in this request.

Your attention to this matter is appreciated.

Very truly yours,



WILLIAM F. CARR  
WFC:mlh

cc: Mr. Don Stevens  
Stevens Operating Corporation  
Post Office Box 2408  
Roswell, New Mexico 88201

Mr. Robert Thornton  
Curry & Thornton  
905 Fort Worth Club Building  
Fort Worth, Texas 76102

Ernest L. Padilla, Esq.  
Padilla & Snyder  
Post Office Box 2523  
Santa Fe, New Mexico 87504

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August 4, 1989

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AUG 4 1989

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OIL CONSERVATION DIVISION

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

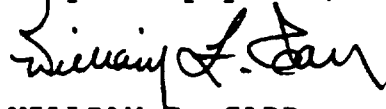
Re: Oil Conservation Division Case No. 9617:  
Application of Curry and Thornton for an Unorthodox Oil  
Well Location and a Non-Standard proration Unit, Chaves  
County, New Mexico

Dear Mr. LeMay:

Curry and Thornton hereby requests that the above-referenced case  
scheduled for hearing before the Oil Conservation Commission on  
August 17, 1989 be continued to the Commission's September hearing  
docket.

Your attention to this request is appreciated.

Very truly yours,



WILLIAM F. CARR

WFC:mlh

cc: Mr. Don Stevens  
Mr. Robert Thornton  
Ernest L. Padilla, Esq.

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September 15, 1989

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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

SEP 15 1989

OIL CONSERVATION DIVISION

Re: Case No. 9617:  
Application of Curry & Thornton for an Unorthodox Oil  
Well Location and Non-Standard Proration Unit, Chaves  
County, New Mexico

Case No. 9670:  
Application of Stevens Operating Corporation to Amend  
Division Order R-8917, Directional Drilling, and an  
Unorthodox Oil Well Location, Chaves County, New Mexico

Case No. 9697:  
Application of Santa Fe Exploration Company for Amendment  
of the North-King Camp Devonian Oil Pool, Special Pool  
Rules, Chaves County, New Mexico

Dear Mr. LeMay:

This letter is to request that the Commission hearings in each of  
the above-referenced cases scheduled for September 21, 1989 be  
continued and rescheduled in October, 1989.

This continuance will enable the parties to attempt to reach a  
voluntary agreement for the development of the North King Camp  
Devonian Oil Pool.

William J. LeMay, Director  
Oil Conservation Division  
September 15, 1989  
Page Two

Ernest L. Padilla, attorney for Santa Fe Exploration Company joins with me in this request for continuance.

To avoid scheduling conflicts, Stevens Operating Corporation also requests, that the October hearings in these cases be set during the fourth week of October, 1989.

Your attention to this matter is appreciated.

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR STEVENS OPERATING CORPORATION  
and CURRY AND THORNTON



ERNEST L. PADILLA  
ATTORNEY FOR SANTA FE EXPLORATION COMPANY

WFC:mlh