

CASE 9701: Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the E/2 of Section 22, Township 20 South, Range 24 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 320-acre spacing (which presently includes but is not necessarily limited to the Undesignated South Dagger Draw-Upper Pennsylvanian Associated Pool and the Undesignated Foster Ranch-Morrow Gas Pool), said unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said well location is approximately 9 miles west-southwest of Seven Rivers, New Mexico.

CASE 9675: (Continued from the June 21, 1989, Examiner Hearing.)

Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Abo formation, underlying the NW/4 of Section 20, Township 6 South, Range 25 East, forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 160-acre spacing (which includes but is not necessarily limited to the Pecos Slope-Abo Gas Pool) and the NE/4 NW/4 of said Section 20 to form a standard 40-acre oil spacing and proration unit for all formations and/or pools developed on statewide 40-acre spacing. Both aforementioned units are to be dedicated to a well to be drilled at a standard location 660 feet from the North line and 1980 feet from the West line (Unit C) of said Section 20. Also to be considered will be the cost of drilling and completing said well and the allocation of cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said well location is approximately 8.5 miles east of Milepost No. 137 of U.S. Highway 285.

CASE 8668: (Reopened) (Continued and Readvertised)

In the matter of Case No. 8668 being reopened upon application of Howard Olsen to reconsider the provisions of Division Order No. R-8031, issued in said Case No. 8668 and dated September 27, 1985, which granted the application of Doyle Hartman to compulsorily pool all mineral interests from the surface to the base of the Langlie-Mattix Pool underlying the SE/4 SE/4 (Unit P) of Section 23, Township 25 South, Range 37 East, forming a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard oil well location thereon. Said well is located approximately 4 miles east of Jal, New Mexico.

CASE 8769: (Reopened) (Continued and Readvertised)

In the matter of Case No. 8769 being reopened upon application of Howard Olsen to reconsider the provisions of Division Order No. R-8091, issued in said Case No. 8769 and dated December 6, 1985, which granted the application of Doyle Hartman to compulsorily pool all mineral interests from the surface to the base of the Langlie-Mattix Pool underlying the SE/4 NE/4 (Unit H) of Section 26, Township 25 South, Range 37 East, forming a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard oil well location thereon. Said well is located approximately 4 miles east of Jal, New Mexico.

Docket 21-89

DOCKET: COMMISSION HEARING - THURSDAY - JULY 20, 1989

9:00 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

CASE 9611: (De Novo) (Continued from June 15, 1989, Commission Hearing.)

Application of The Petroleum Corporation of Delaware for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location 660 feet from the South and West lines (Unit M) of Section 1, Township 20 South, Range 29 East, Undesignated East Burton Flat-Morrow Gas Pool, the S/2 of said Section 1 to be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool. Said location is approximately 3.5 miles west of the Eddy Potash Inc. Mine and Refinery. Upon application of The Petroleum Corporation of Delaware, this case will be heard DeNovo pursuant to the provisions of Rule 1220.

CASE 9619: (De Novo) (Continued from June 15, 1989, Commission Hearing.)

Application of Santa Fe Exploration Company for an unorthodox gas well location, dual completion and compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Indian Basin-Upper Pennsylvanian Gas Pool and the Undesignated Indian Basin Morrow-Gas Pool, underlying all of Section 8, Township 21 South, Range 23 East, forming a standard 640-acre gas spacing and proration unit for both pools. Production from both zones is to be from a dually completed well to be drilled at an unorthodox gas well location 660 feet from the

South and East lines (Unit P) of said Section 8. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said location is approximately 3.75 miles west-northwest of the Marathon Oil Company Indian Basin Gas Plant. Upon application of Marathon Oil Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 9661:

(De Novo) (This Case will be continued to August 17, 1989.) (Continued from June 15, 1989, Commission Hearing.)

Application of Hixon Development Company for an unorthodox oil well location and simultaneous dedication. Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location 330 feet from the South line and 2310 feet from the West line (Unit N) of Section 35, Township 25 North, Range 3 West, West Lindrith Gallup-Dakota Oil Pool, the SW/4 of said Section 35, forming a 160-acre oil spacing and proration unit for said pool, to be simultaneously dedicated to the above described well and to the existing Missy Well No. 2 located 1650 feet from the South and West lines (Unit K) of said Section 35. Said location is approximately 3 miles northwest by west of Lindrith, New Mexico. Upon application of Hixon Development Company, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 9617:

(De Novo) (Continued from June 15, 1989, Commission Hearing.)

Application of Curry and Thornton for an unorthodox oil well location and a non-standard proration unit, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location 1980 feet from the South line and 2475 feet from the West line (Unit K) of Section 9, Township 14 South, Range 29 East, Undesignated North King Camp-Devonian Pool, the E/2 W/2 of said Section 9 to be dedicated to a well forming a non-standard 160-acre oil spacing and proration unit for said pool. Said location is approximately 17 miles east of Hagerman, New Mexico. Upon application of Santa Fe Exploration Company and Curry and Thornton, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CAMPBELL & BLACK, P.A.

LAWYERS

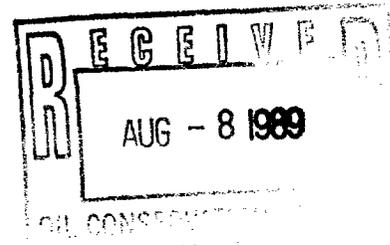
JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
J. SCOTT HALL
JOHN H. BEMIS
WILLIAM R. SLATTERY
MARTE D. LIGHTSTONE
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POST OFFICE BOX 2208
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TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

August 8, 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: Oil Conservation Division Case No. 9661 (De Novo)
In the Matter of the Application of Hixon Development
Company for an Unorthodox Oil Well Location and
Simultaneous Dedication, Rio Arriba County, New Mexico

Dear Mr. LeMay:

Pursuant to your July 20, 1989 request, enclosed is a proposed
Order of the Commission from Mobil Exploration & Producing, U.S.
Inc.

Your attention to this matter is appreciated.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is fluid and cursive, with a long, sweeping tail on the final letter.

WILLIAM F. CARR

WFC:mlh

Enclosure

cc w/enc: Mr. Craig Eggerman
W. Thomas Kellahin

KELLAHIN, KELLAHIN and AUBREY
Attorneys at Law

W. Thomas Kellahin
Karen Aubrey

El Patio - 117 North Guadalupe
Post Office Box 2265

Telephone 982-4285
Area Code 505

Jason Kellahin
Of Counsel

Santa Fé, New Mexico 87504-2265

Fax: 505/982-2047

August 8, 1989

HAND-DELIVERED

Mr. William J. LeMay
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Mr. William R. Humphries
State Land Commissioner
Land Office Building
Santa Fe, New Mexico 87501

Re: Hixon Development Company
Application for Approval of an
Unorthodox Well Location,
Rio Arriba County, New Mexico
Case No. 9661 (DeNovo)

Gentlemen:

On behalf of Hixon Development Company and in accordance with the direction of the Commission at the hearing on July 20, 1989, please find enclosed for your consideration Hixon's proposed order for entry in this matter.

Adoption of the Hixon proposed order will result in a reduction of the punitive penalty imposed by the Examiner hearing to a meaningful and reasonable rate not to exceed 187 barrels of oil per day for the Missy #3 Well.

Very truly yours,



W. Thomas Kellahin

WTK/rs
Encl.

cc: Hixon Development Company
William F. Carr, Esq. - Mobil

RECEIVED
AUG 8 1989
OIL CONSERVATION DIVISION

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

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

CASE NO. 9661 (DeNovo)
ORDER NO. R-8935-A

APPLICATION OF HIXON DEVELOPMENT
COMPANY FOR AN UNORTHODOX OIL
WELL LOCATION AND SIMULTANEOUS
DEDICATION, RIO ARRIBA COUNTY,
NEW MEXICO.

HIXON DEVELOPMENT COMPANY'S PROPOSED
ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on July 20, 1989, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this _____ day of August, 1989, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS THAT:

1. Due public notice having been given as required by law and the applicant having provided notice to all interested parties as required by Rule 1207, as amended, the Commission has jurisdiction of this cause and the subject matter thereof.

2. The applicant, Hixon Development Company, seeks approval for an unorthodox oil well location for its Missy Well No. 3 located 330 feet from the south line and 2310 feet from the west line (Unit N) of Section 35, Township 25 North, Range 3 West, NMPM, West Lindrith Gallup-Dakota Oil

Pool, Rio Arriba County, New Mexico, the SW/4 of said Section 35, forming a standard 160-acre proration unit for said pool, to be simultaneously dedicated to the above-described well and to the existing Missy Well No. 2 located 1650 feet from the south and west lines (Unit K) of said Section 35.

3. Because of the fact that the source of supply in the Gallup (Mancos) formation is common between the West Lindrith and the Gavilan pools, by Order R-4314-A, dated January 7, 1988, the Commission promulgated Special Rules and Regulations for the West Lindrith Gallup-Dakota Oil Pool, which include, among other things, a rule creating a one-half mile buffer zone inside the pool boundary and a provision which requires that all wells located in said buffer zone be located no closer than 790 feet to the outer pool boundary.

4. Within the interior of the West Lindrith Gallup-Dakota Pool, wells continue to be drilled as close as 330 feet to the outer boundary of the 160-acre spacing unit while on the outer boundary of the same pool, wells must be 790 feet from the outer boundary of the pool.

5. After consultations with the Aztec District Office of the Oil Conservation Division, Hixon filed an application for permit to drill a Dakota well, the Missy #3 Well, at a location 330 feet from the south line of Section 35 which it mistakenly thought was a standard Dakota well location.

6. The Division mistakenly approved the permit to drill the Missy #3 Well without notation that the location was unorthodox.

7. There was no material geologic difference between the unorthodox well location and the closest standard well location.

8. By the time the mistake had been discovered, Hixon had commenced the drilling of the well, set surface casing and had placed at risk some \$100,000.00 of funds.

9. Mobil Producing Texas and New Mexico, Inc. ("Mobil"), the operator of Section 1, Township 24 North, Range 3 West, NMPM, being the affected offset acreage to the south which is currently undeveloped, appeared at the hearing in opposition to the application and in support of imposing a production penalty against the subject well.

Carroll
Killaker

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Case No. 9661 (DeNovo)
Order R-8935-A

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10. Mobil has proposed that the allowable for the subject well be established at 80 barrels per day, said allowable determined by multiplying F1 x F2 where:

F1 = Top unit allowable divided by the number of wells of 382/2;

F2 = Subject well's distance from the south line divided by legal location distance or 330 feet/790 feet.

11. At the time of the Examiner's hearing of this case on April 26, 1989, the Missy #3 Well had not been production tested and the Missy #2 Well was capable of production of approximately 305 barrels of oil a day.

12. At the Commission hearing, the evidence established that the Missy #3 Well was incapable of sustained production at the 80 barrels a day restriction and would log off and that the Missy #2 Well had declined in its capacity to produce to a rate not more than 180 barrels of oil a day.

13. While Mobil contended that the penalty for the Missy #3 Well should include an "F1" factor which divides the top allowable for the spacing unit between the Missy #2 Well and the Missy #3 Well, there was no evidence presented to support contention.

14. Mobil's proposed penalty penalizes Hixon for electing to have a second well on the 160-acre spacing unit because it imposes limitations on the division of allowable between 2 wells.

15. Mobil's proposed penalty is contrary to the express language of Rule 6 of the West Lindrith Gallup-Dakota Pool Rules which provides:

"Rule 6: A standard proration unit (158 through 162 acres) shall be assigned a depth bracket allowable of 382 barrels of oil per day and in the event there is more than one well on a 160-acre proration unit, the operation may produce the allowable assigned to the unit from the wells on the unit in any proportion."

16. Mobil failed to provide any technical data or engineering calculation to determine the drainage radius of the Missy #3 Well.

Case No. 9661 (DeNovo)
Order R-8935-A

17. Mobil failed to establish any geologic evidence to show that the Dakota Pool extended into its acreage in Section 1 or 2 of T24N, R3W.

18. Mobil failed to establish that the Missy #3 would drain any portion of Section 1 or 2 of T24N, R3W.

19. The Mobil proposal will result in an 80% penalty for a well that is only 58% closer than allowed by pool rules.

20. The District Supervisor for the Division has recommended to the Commission that it apply the Division Rule 505 Depth Bracket allowable for a 40-acre unit of 187 barrels of oil per day as an appropriate and meaningful penalty for the Missy #3 Well.

21. Wells on 40-acre spacing units are allowed to be located not closer than 330 feet from the side boundary of the unit in order to avoid drainage, protect correlative rights and prevent waste.

22. Application of the 40-acre depth bracket allowable to the Missy #3 Well would restrict the well to about 50% of the maximum allowable.

23. Adoption of the Mobil proposed penalty will result in an excessive and unreasonable penalty on Applicant while adoption of the 187 barrel of oil per day penalty will result in a meaningful penalty.

24. The subject proration unit should be assigned a top unit allowable of 382 barrels of oil per day and may be produced jointly by both Wells No. 2 and 3; however, at no time should the production from Well No. 3 exceed 187 barrels of oil per day based on a monthly average.

25. Approval of the proposed simultaneous dedication and unorthodox well location subject to the reduced allowable, as described above, will allow the Applicant the opportunity to produce its just and equitable share of the production in the subject pool, will prevent the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

26. The Applicant should be allowed to reopen this case and petition for an increased allowable for the subject well if it can be shown that continued development has proven said Section 1 or 2 to be non-productive or that Mobil's interest are not being adversely affected.

IT IS THEREFORE ORDERED THAT:

1. The Applicant, Hixon Development Company, is hereby given approval for an unorthodox oil well location for its Missy Oil Well No. 3, located 330 feet from the south line and 2,310 feet from the west line (Unit N) of Section 35, Township 25 North, Range 3 West, NMPM, West Lindrith Gallup-Dakota Oil Pool, Rio Arriba County, New Mexico; the SW/4 of said Section 35, forming a standard 160-acre proration unit for said pool, shall be simultaneously dedicated to the above-described well and to the existing Missy Well No. 2 located 1,650 feet from the south and west lines (Unit K) of said Section 35.
2. The standard proration unit, the SW/4 of said Section 35, shall receive a top unit allowable of 382 barrels of oil per day; however, Well No. 3 shall at no time produce more than 187 barrels of oil per day.
3. That the date of the allowable restriction set-forth in this order on the Missy #3 well shall apply as of the date of first production from said well and in the event the operator of the well has either under or over produced the allowable, said operator shall have a period of 6 months to bring the well into balance with the penalty.
4. The Applicant shall be allowed to reopen this case and petition for an increased allowable for the Missy Well No. 3 if it can be shown that continued development has proven Section 1 or Section 2, Township 24 North, Range 3 West, NMPM, to be non-productive or that Mobil's interests are no being adversely affected.
5. Jurisdiction of the cause is retained for the entry of such further orders as the Commission may deem necessary.

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Case No. 9661 (DeNovo)
Order R-8935-A

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

WILLIAM J. LEMAY
CHAIRMAN

WILLIAM HUMPHRIES
MEMBER

S E A L

KELLAHIN, KELLAHIN and AUBREY
Attorneys at Law

W. Thomas Kellahin
Karen Aubrey

El Patio - 117 North Guadalupe
Post Office Box 2265

Telephone 982-4285
Area Code 505

Jason Kellahin
Of Counsel

Santa Fé, New Mexico 87504-2265

Fax: 505/982-2047

July 5, 1989

RECEIVED

JUL 5 1989

OIL CONSERVATION DIVISION

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
310 Old Santa Fe Trail
Santa Fe, New Mexico 87503

HAND-DELIVERED

Re: Case 9661:
Application of Hixon Development Company for an Unorthodox Coal Gas Well Location and Simultaneous Dedication, Rio Arriba County, New Mexico

Dear Mr. LeMay:

On behalf of Hixon Development Company, I request that the Oil Conservation Commission issue the enclosed Subpoena to Mobil Exploration and Producing U.S., Inc. for production of data and attendance of Mr. Craig Eggerman.

Mobil is an objecting offsetting operator to the acreage which is the subject of this application and operates the Lindrith "B" Unit well #75.

A copy of this request and subpoenas have been hand-delivered to Mr. Carr.

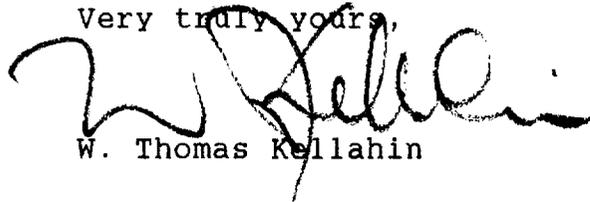
This case is currently scheduled for hearing on July 20, 1989 before the Commission. If we receive the information covered by this subpoena, we will need at least one additional week to review this data and prepare our case. We, therefore, request that the Examiner's hearing on July 12, be used for the purpose of production of data.

KELLAHIN, KELLAHIN and AUBREY

William J. LeMay
July 5, 1989
Page 2

Your attention to this request is appreciated.

Very truly yours,

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

W. Thomas Kellahin

WTK/dm
Encl.

cc w/enclosures: Hixon Development Company
P.O. Box 2810
Farmington, NM 87499

William F. Carr
Campbell & Black, P.A.
P.O. Box 2208
Santa Fe, NM 87504-2208

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY, MINERAL AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF
HIXON DEVELOPMENT COMPANY FOR AN
UNORTHODOX COAL GAS WELL LOCATION
AND SIMULTANEOUS DEDICATION,
RIO ARriba COUNTY, NEW MEXICO.

CASE NO. 9661

SUBPOENA

TO: Craig Eggerman
Mobil Exploration and Producing U.S. Inc.
Denver, Colorado

YOU ARE HEREBY COMMANDED to appear at the place, day and
time specified below.

PLACE

Oil Conservation Division Conference Room
State Land Office Building
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

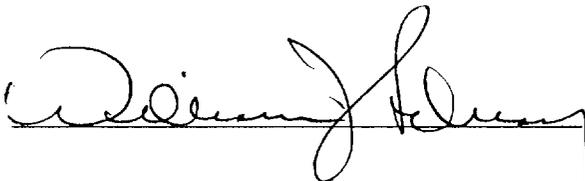
DAY AND TIME

July 20, 1989
at 8:15 o'clock a.m.
Commission Hearing

This subpoena is issued on the application of Hixon
Development through its attorney, W. Thomas Kellahin, Post Office
Box 2265, Santa Fe, New Mexico 87504-2265

DATED this _____ day of July, 1989.

NEW MEXICO OIL CONSERVATION
DIVISION

By: 

SHERIFF'S RETURN

STATE OF NEW MEXICO)
COUNTY OF _____) ss.

I, _____, Sheriff of _____ County, New Mexico, do hereby certify that I served the within Subpoena by delivering a copy thereof to each of the following persons therein named, in _____ County, New Mexico, on the dates hereinafter set out, as follows:

_____ on _____, 19 ____

I further certify that none of said persons, except _____, at the time of service of the Subpoena, demanded fees and mileage for one day's attendance allowed by law, and that such fees and mileage were tendered to any of said persons who demanded same.

FEES: Service and Return \$ _____ Sheriff
Mileage _____ Miles \$ _____ By: _____ Deputy
TOTAL \$ _____

RETURN BY PERSON OTHER THAN SHERIFF OR DEPUTY

STATE OF NEW MEXICO)
COUNTY OF _____) ss.

_____, being duly sworn, upon oath says: I am not less than 18 years of age and not a party to this action, and I served the within Subpoena by delivering a copy thereof to each of the following persons therein named, in _____ County, New Mexico, on the dates hereinafter set out, as follows:

_____ on _____, 19 ____

I further certify that none of said persons, except _____, at the time of service of the Subpoena, demanded fees and mileage for one day's attendance allowed by law, and that such fees and mileage were tendered to any of said persons who demanded same.

FEES: Service and Return \$ _____
Mileage _____ Miles \$ _____
TOTAL \$ _____

Subscribed and sworn to before me this _____ day of _____, 19 ____

(SEAL)

My Commission expires: _____

Notary Public

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY, MINERAL AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF
HIXON DEVELOPMENT COMPANY FOR AN
UNORTHODOX COAL GAS WELL LOCATION
AND SIMULTANEOUS DEDICATION,
RIO ARRIBA COUNTY, NEW MEXICO.

CASE NO. 9661

SUBPOENA DUCES TECUM

TO: Mobil Exploration and Producting U.S. Inc.
Denver, Colorado 80217

Pursuant to Section 70-2-8, N.M.S.A. (1978) and New Mexico
Oil Conservation Division Rule 1211, YOU ARE HEREBY COMMANDED to
appear at the place, day and time specified below and produce for
inspection and copying the documents described on the attached
Exhibit A.

PLACE

Oil Conservation Division Conference Room
State Land Office Building
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

DAY AND TIME

July 12, 1989
at 8:15 o'clock a.m.
Examiner's Hearing

This subpoena is issued on the application of Hixon
Development through its attorney, W. Thomas Kellahin, Post Office
Box 2265, Santa Fe, New Mexico 87504-2265

DATED this ____ day of July, 1989.

NEW MEXICO OIL CONSERVATION
DIVISION

By:

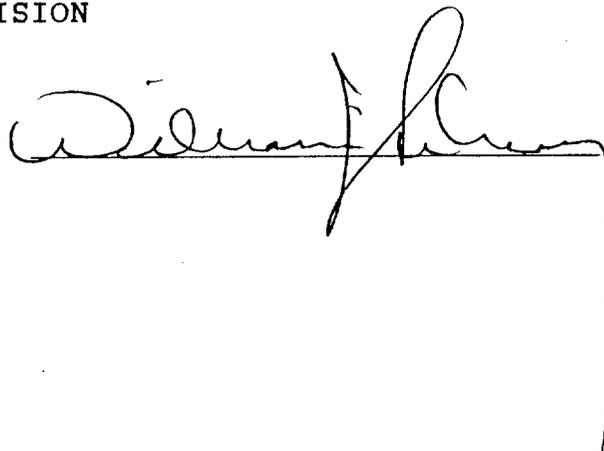
A handwritten signature in cursive script, appearing to read "W. Thomas Kellahin", is written over a horizontal line. A vertical line extends downwards from the right end of the horizontal line.

EXHIBIT "A"

1. For the Lindrith "B" Unit Well #75 located in SE/4 of Section 35, T25N, R3W, NMPM, Rio Arriba County, New Mexico; the following:

(a) All pressure information, including but not limited to all bottom-hole surveys, surface pressure readings, pressure buildup data/tests, drill stem tests and interference tests.

(b) Daily well check records that show estimated gas production, oil production, actual water production and the well's flowing and reinjection tubing and casing pressures and any other records and/or information utilized by Mobil in the preparation of its Form C-115 (Operator's Monthly Report).

(c) All production logs, including but not limited to caliper logs, spinner surveys, tracer surveys and any zone isolation tests.

(d) Any and all daily drilling and completion reports and production data.

2. Any documentation or records concerning the Hixon Development Company's Missy Well #3, Section 35, T25N, R3W, NMPM, Rio Arriba County, New Mexico from January 1, 1989 to April 30, 1989, including but not limited to when Craig Eggerman or any Mobil employee, agent or personnel first became aware of the permitting to drill of the subject well and what if any action

said individuals took concerning said permit including but not limited to contacts with the Aztec Office of the Oil Conservation Division.

INSTRUCTIONS

"Documents" or "records" mean every writing and record of every type and description in the possession, custody or control of Meridian Oil, Inc. whether prepared by you or otherwise, which is in your possession or control or known by you to exist, including but not limited to, all drafts, correspondence, memoranda, handwritten notes, notes, minutes, entries in books of accounting, computer printouts, tapes and records of all types, minutes of meetings, studies, contracts, agreements, books, pamphlets, schedules, pictures and voice recordings, videotapes and every other device or medium on which, or for which information of any type is transmitted, recorded or preserved and whether or not such documents or records are marked or treated as confidential or proprietary. The term "document" also means a copy where the original is not in possession, custody or control of the company or corporation to whom this request is addressed, and every copy of the document where such copy is not an identical duplicate of the original, all things similar to any of the foregoing however denominated by the parties.

SHERIFF'S RETURN

STATE OF NEW MEXICO)
COUNTY OF _____) ss.

I, _____, Sheriff of _____ County, New Mexico, do hereby certify that I served the within Subpoena by delivering a copy thereof to each of the following persons therein named, in _____ County, New Mexico, on the dates hereinafter set out, as follows:

_____ on _____, 19 ____

I further certify that none of said persons, except _____, at the time of service of the Subpoena, demanded fees and mileage for one day's attendance allowed by law, and that such fees and mileage were tendered to any of said persons who demanded same.

FEES: Service and Return \$ _____
Mileage _____ Miles \$ _____
TOTAL \$ _____
Sheriff By: Deputy

RETURN BY PERSON OTHER THAN SHERIFF OR DEPUTY

STATE OF NEW MEXICO)
COUNTY OF _____) ss.

_____, being duly sworn, upon oath says: I am not less than 18 years of age and not a party to this action, and I served the within Subpoena by delivering a copy thereof to each of the following persons therein named, in _____ County, New Mexico, on the dates hereinafter set out, as follows:

_____ on _____, 19 ____

I further certify that none of said persons, except _____, at the time of service of the Subpoena, demanded fees and mileage for one day's attendance allowed by law, and that such fees and mileage were tendered to any of said persons who demanded same.

FEES: Service and Return \$ _____
Mileage _____ Miles \$ _____
TOTAL \$ _____

Subscribed and sworn to before me this _____ day of _____, 19 ____

(SEAL)

My Commission expires: _____

Notary Public _____

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION
OF HIXON DEVELOPMENT COMPANY FOR
AN UNORTHODOX OIL WELL LOCATION
AND SIMULTANEOUS DEDICATION,
RIO ARriba COUNTY, NEW MEXICO.

CASE NO. 9661

ENTRY OF APPEARANCE

COMES NOW CAMPBELL & BLACK, P.A., and hereby enters its
appearance in the above referenced case on behalf of Mobil
Exploration & Producing U. S. Inc.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By: 

WILLIAM F. CARR
Post Office Box 2208
Santa Fe, New Mexico 87504
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