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April 9, 1991

Mr. William J. LeMay  
Oil Conservation Division  
Post Office Box 2088  
Santa Fe, New Mexico 87504

HAND DELIVERED

RECEIVED

Re: Application of Santa Fe Energy Operating  
Partners, L.P. for Compulsory Pooling,  
Lea County, New Mexico  
NMOCD Case No. 10211  
Order No. R-9480

OIL CONSERVATION DIVISION

Application of Hanley Petroleum Inc.  
for Compulsory Pooling, Lea County,  
New Mexico  
NMOCD Case No. 10219  
Order No. R-9480

Dear Mr. LeMay:

On behalf of Hanley Petroleum Inc., please find enclosed our Application for a Stay of Division Order R-9480.

The DeNovo hearing on the Commission Hearing Docket is now scheduled for May 9, 1990.

Attorneys for Santa Fe Energy and for Heyco have each informed me they are not opposed to the entry of the Stay Order. A proposed Stay Order is enclosed.

Very truly yours,

  
W. Thomas Kellahin

WTK/tic  
Enclosure

Mr. William J. LeMay  
April 9, 1991  
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cc: Robert G. Stovall, Esq. (Hand Delivered)  
William F. Carr, Esq. (Hand Delivered)  
James G. Bruce, Esq. (Fax)  
James Rogers (Fax)

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

RECEIVED

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

OIL CONSERVATION DIVISION

CASE NOS. 10211 AND 10219  
ORDER NO. R-9480-A

APPLICATION OF SANTA FE ENERGY OPERATING  
PARTNERS, L.P. FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

CASE NO. 10211

APPLICATION OF HANLEY PETROLEUM INC.  
FOR COMPULSORY POOLING, LEA COUNTY,  
NEW MEXICO.

CASE NO. 10219

*Order R - 9480-A*

ORDER OF THE DIVISION  
STAYING ORDER R-9480

BY THE DIVISION:

This matter having come before the Division upon the request of Hanley Petroleum Inc. for a Stay of Division Order <sup>No. R-</sup>9480 and the Division Director having considered the request and being fully advised in the premises,

NOW, on this \_\_\_\_\_ day of April, 1991, the Division Director:

FINDS THAT:

(1) ~~That~~ <sup>No.</sup> Division Order R-9480 was entered on March 29, 1991, upon the application of Santa Fe Energy Operating Partners, L.P. for a compulsory pooling order of the Hanley Petroleum Inc. interests.

(2) ~~That~~ <sup>On</sup> April 8, 1991, Hanley Petroleum Inc. filed with the Division a request for a DeNovo Hearing in this

case which will be set for hearing by the Commission on May 9, 1991.

(3) ~~That~~ Pursuant to the terms of ~~the~~ Division Order <sup>No.</sup> R-9480 Santa Fe Energy Operating Partners, L.P. has sent to Hanley Petroleum Inc. a notice by which it must make an election to participate in the subject well on or before May 4, 1991.

(4) ~~That~~ <sup>No.</sup> Unless Division Order R-9480 is stayed, Hanley Petroleum Inc. will be denied a reasonable opportunity to make an election following the entry of an order by the Commission.

(5) ~~That~~ <sup>No.</sup> Unless Division Order R-9480 is stayed the matters in dispute at the DeNovo Hearing before the Commission will be moot.

(6) ~~That~~ The entry of this order will not adversely affect the correlative rights of any party.

(7) ~~That~~ Hanley has complied with the provision of Division Memorandum 3-85 and has filed its request for a stay on April 10, 1991.

IT IS THEREFORE ORDERED THAT:

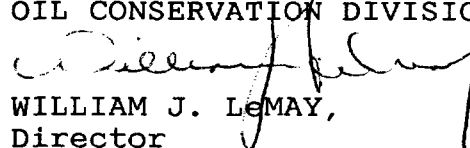
(1) ~~That~~ <sup>No.</sup> Division Order R-9480 is hereby stayed in its entirety.

(2) ~~That~~ Santa Fe Energy Partners, L.P.'s notification on April 4, 1991 to Hanley Petroleum Inc. of its thirty day election period pursuant to Order <sup>No. 9480</sup> 9480 is void and of no effect.

(3) ~~That~~ 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 ~~date~~ <sup>day</sup> and year hereinabove designated.

OIL CONSERVATION DIVISION

  
WILLIAM J. LEMAY,  
Director

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