

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

November 5, 1991

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

RE: CASE NO. 10251
ORDER NO. R-9476-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, appearing to read "Florene Davidson".

Florene Davidson
OC Staff Specialist

FD/sl

cc: BLM Carlsbad Office

CAMPBELL, CARR, BERGE

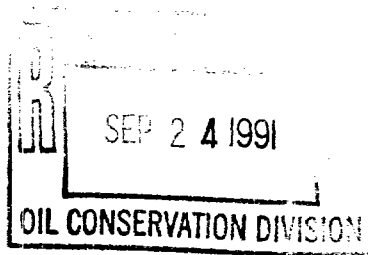
& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
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September 24, 1991

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

HAND-DELIVERED

Re: Oil Conservation Division Case No. 10251
Application of Kaiser-Francis Oil Company for Pool Creation, Eddy County,
New Mexico
Order No. R-9476

Dear Mr. LeMay:

In the above-referenced case, Kaiser-Francis Oil Company sought the creation of a new pool for the production of gas from the Brushy Canyon Member of the Delaware formation. This request was the result of the discovery of a separate gas reservoir in the Kaiser-Francis AM Federal Well No. 1 located 660 feet from the South line and 1,980 feet from the East line of Section 8, Township 21 South, Range 36 East, N.M.P.M., Eddy County, New Mexico. The proposed new pool included the SE/4 of said Section 8.

By Order No. R-9476, entered on March 26, 1991, the Division found the evidence insufficient at that time to determine whether or not the producing interval was a gas cap in an oil reservoir or a new limited gas reservoir (Finding 11). Accordingly, the Division temporarily denied the application until additional evidence became available on the subject reservoir (Finding 14).

CHI Operating, Inc., an offset operator, appeared in opposition to the application. Order No. R-9476 required that CHI test the subject reservoir in existing or proposed wells in this zone to substantiate the existence of a separate reservoir. This order further gave CHI six months from March 26, 1991 to submit to Kaiser-Francis Oil Company and the Division the data it obtained from this testing.

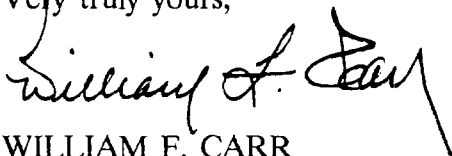
William J. LeMay, Director
Oil Conservation Division
September 24, 1991
Page Two

On September 26, 1991 that information must be provided and at that time, Kaiser-Francis is authorized to seek the reopening of this case.

Kaiser-Francis Oil Company hereby moves that Case No. 10251 be reopened and set for hearing before a Division Examiner on October 17, 1991 to enable it and other affected parties to reexamine this application and determine the most prudent method of producing the reserves in this portion of the Brushy Canyon Member of the Delaware formation.

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 written in a cursive style with a large, sweeping flourish at the end.

WILLIAM F. CARR

WFC:mlh

ATTORNEY FOR KAISER-FRANCIS OIL COMPANY

cc: Mr. Jim Wakefield
W. Thomas Kellahin, Esq.



STATE OF NEW MEXICO
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SANTA FE, NEW MEXICO 87504
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September 20, 1991

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

RE: CASE NO. 10251
ORDER NO. R-9476-A

Dear Sir:

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

Sincerely,

Florene Davidson

Florene Davidson
OC Staff Specialist

FD/sl

cc: BLM Carlsbad Office
T. Kellahin
J. Bruce

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

March 26, 1991

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

RE: CASE NO. 10251
ORDER NO. R-9476

Dear Sir:

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

Sincerely,

Florene Davidson

Florene Davidson
OC Staff Specialist

FD/sl

cc: BLM Carlsbad Office
T. Kellahin
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