



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

February 25, 1985

TONY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Texas Rose Petroleum Inc.
16970 Dallas Parkway
Suite 702
Dallas, Texas 75248

Case 9074

Re: \$50,000 Blanket Plugging Bond
Texas Rose Petroleum, Inc., Principal
The Travelers Indemnity Co., Surety
Bond No. 981F609A

Gentlemen:

The Oil Conservation Division hereby approves the above-referenced blanket plugging bond effective February 21, 1985.

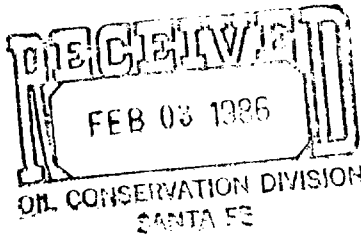
Sincerely,

R. L. STAMETS,
Director

dr/

cc: Oil Conservation Division
Hobbs, Artesia, Aztec

The Travelers Indemnity Co.
P. O. Box 660055
Dallas, Texas 75266-0055



THE TRAVELERS
THE TRAVELERS INDEMNITY COMPANY
Hartford, Connecticut

NOTICE OF CANCELLATION

January 30, 1986

State of New Mexico
Energy & Minerals Dept.
Oil Conservation Division
P. O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87501

*Computer
Chiller
2-3-86*

Bond No. 981F609A
Principal Texas Rose Petroleum, Inc.

On the 4th day of February, 1985, THE TRAVELERS INDEMNITY COMPANY, as Surety, executed a(n) \$50,000 Blanket Plugging bond in the penalty of Fifty Thousand and No/100-- Dollars (\$ 50,000.00-----), on behalf of Texas Rose Petroleum, Inc. of Dallas, Texas as Principal, in favor of State of New Mexico, as Oblige. The bond, by its terms, provides that the Surety may terminate its liability by giving notice of its election to do so to the Oblige. In accordance with the terms of the bond we hereby elect to terminate our liability and shall, as of the 2nd day of March, 1986 consider ourselves released from all liability by reason of any default committed thereafter by the Principal.

Below is an Acknowledgement which we would appreciate your signing and returning.

cc: Collier Cobb & Assoc. of Dallas
Texas Rose Petroleum, Inc.

THE TRAVELERS INDEMNITY COMPANY

By: *Donna Nelson*
Donna Nelson, Attorney-in-Fact

Please detach and return to
THE TRAVELERS INDEMNITY COMPANY
at the following address:

P. O. Box 660055
Dallas, Texas 75266-0555

Principal Texas Rose Petroleum Inc.

Bond No. 981F609A

ACKNOWLEDGEMENT

Your Notice of Cancellation has been received. We have arranged to cancel the bond effective the

day of _____, 19____.

Date: _____, 19____.

By: _____

STATE OF NEW MEXICO

\$50,000.00 BLANKET PLUGGING BOND

BOND NO.

781F609A
(For Use of Surety Company)

File with Oil Conservation Division, P.O. Box 2088, Santa Fe 87501

KNOW ALL MEN BY THESE PRESENTS:

That TEXAS ROSE PETROLEUM, INC., (An individual) (a partnership)
(a corporation organized in the State of Texas, with its principal office in the city of
Dallas, State of Texas, and authorized to do business in
the State of New Mexico), as PRINCIPAL, and THE TRAVELERS INDEMNITY COMPANY, a
corporation organized and existing under the laws of the State of Connecticut, and authorized
to do business in the State of New Mexico, as SURETY, are held firmly bound unto the State of New Mexico, for the use
and benefit of the Oil Conservation Division of New Mexico pursuant to Section 65-3-11, New Mexico Statutes
Annotated, 1953 Compilation, as amended, in the sum of Fifty Thousand Dollars (\$50,000.00) lawful money of the United
States, for the payment of which, well and truly to be made, said PRINCIPAL and SURETY hereby bind themselves, their
successors and assigns, jointly and severally, firmly by these presents.

The conditions of this obligation are such that:

WHEREAS, The above principal has heretofore or may hereafter enter into oil and gas leases, or carbon dioxide (CO₂) gas leases, or
helium gas leases with the State of New Mexico; and

WHEREAS, The above principal has heretofore or may hereafter enter into oil and gas leases, or carbon dioxide (CO₂) gas leases, or
helium gas leases on lands patented by the United States of America to private individuals, and on lands otherwise owned by private
individuals; and

WHEREAS, The above principal, individually, or in association with one or more other parties, has commenced or may commence
the drilling of wells to prospect for and produce oil or gas, or carbon dioxide (CO₂) gas or helium gas, or does own or may acquire, own or
operate such well, or such wells started by others on land embraced in said State oil and gas leases, or carbon dioxide (CO₂) gas leases, or
helium gas leases, and on land patented by the United States of America to private individuals, and on land otherwise owned by private
individuals, the identification and location of said well being expressly waived by both principal and surety hereto.

NOW, THEREFORE, If the above bounden principal and surety or either of them or their successors or assigns, or any of them, shall
plug all of said wells when dry or when abandoned in accordance with the rules, regulations, and orders of the Oil Conservation Division
of New Mexico in such way as to confine the oil, gas, and water in the strata in which they are found, and to prevent them from escaping into
other strata;

THEN, THEREFORE, This obligation shall be null and void; otherwise and in default of complete compliance with any and all of said
obligations, the same shall remain in full force and effect.

PROVIDED, HOWEVER, That thirty (30) days after receipt by the Oil Conservation Division of New Mexico of written notice of
cancellation from the surety, the obligation of the surety hereunder shall terminate as to property or wells acquired, drilled, or started after
said thirty (30) day period but shall continue in effect, notwithstanding said notice, as to property or wells theretofore acquired, drilled or
started.

TEXAS ROSE PETROLEUM, INC.
PRINCIPAL
16970 Dallas Parkway, Suite 702
Dallas, Texas 75248
By [Signature]
Vice President Conphello
Title

(Note: Principal, if corporation, affix corporate seal here.)

THE TRAVELERS INDEMNITY COMPANY
SURETY
P. O. Box 660055
Dallas, Texas 75266-0055
By [Signature]
Attorney-in-Fact Linda O'Nale

(Note: Corporate surety affix corporate seal here.)

ACKNOWLEDGEMENT FORM FOR NATURAL PERSONS

STATE OF TEXAS
COUNTY OF DALLAS ss.

On this 19 day of FEBRUARY, 19 85, before me personally appeared DAVID ELLIS, to me known to be the person (persons) described in and who executed the foregoing instrument and acknowledged that he (they) executed the same as his (their) free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

NOVEMBER 1985

[Signature]
Notary Public

My Commission expires

ACKNOWLEDGEMENT FORM FOR CORPORATION

STATE OF Texas
COUNTY OF Dallas ss.

On this 4th day of February, 19 85, before me personally appeared DAVID L. ELLIS, to me personally known who, being by me duly sworn, did say that he is CHAIRMAN of Texas Rose Petroleum, Inc. and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

November 1985

[Signature]
Notary Public

My Commission expires

ACKNOWLEDGEMENT FORM FOR CORPORATE SURETY

STATE OF Texas
COUNTY OF Dallas ss.

On this 4th day of February, 19 85, before me appeared Linda O'Nale, to me personally known, who, being by me duly sworn, did say that he is Attorney-in-Fact of The Travelers Indemnity Company and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

11-9-87

[Signature]
Notary Public

My Commission expires

(Note: Corporate surety attach power of attorney.)

APPROVED BY:

OIL CONSERVATION DIVISION OF NEW MEXICO

By [Signature]

Date _____

The Travelers Indemnity Company

Hartford, Connecticut

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That THE TRAVELERS INDEMNITY COMPANY, a corporation of the State of Connecticut, does hereby make, constitute and appoint

____ Jerry P. Rose, Linda O'Nale, Robert L. Stoeck, Juanda J. Holmes, Richard D. Hansen, Jr.,
all of Dallas, Texas, EACH: _____

its true and lawful Attorney(s)-in-Fact, with full power and authority, for and on behalf of the Company as surety, to execute and deliver and affix the seal of the Company thereto, if a seal is required, bonds, undertakings, recognizances, consents of surety or other written obligations in the nature thereof, as follows:

____ Any and all bonds, undertakings, recognizances, consents of surety
or other written obligations in the nature thereof _____

and to bind THE TRAVELERS INDEMNITY COMPANY thereby, and all of the acts of said Attorney(s)-in-Fact, pursuant to these presents, are hereby ratified and confirmed.

This appointment is made under and by authority of the following by-laws of the Company which by-laws are now in full force and effect:

ARTICLE IV, SECTION 14. The Chairman of the Board, the President, the Chairman of the Finance Committee, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Corporate Secretary or any Department Secretary may appoint attorneys-in-fact or agents with power and authority, as defined or limited in their respective powers of attorney, for and on behalf of the Company to execute and deliver, and affix the seal of the Company thereto, bonds, undertakings, recognizances, consents of surety or other written obligations in the nature thereof and any of said officers may remove any such attorney-in-fact or agent and revoke the power and authority given to him.

ARTICLE IV, SECTION 16. Any bond, undertaking, recognizance, consent of surety or written obligation in the nature thereof shall be valid and binding upon the Company when signed by the Chairman of the Board, the President, the Chairman of the Finance Committee, any Executive Vice President, any Senior Vice President, any Vice President or any Second Vice President and duly attested and sealed, if a seal is required, by the Corporate Secretary or any Department Secretary or any Assistant Corporate Secretary or any Assistant Department Secretary, or shall be valid and binding upon the Company when duly executed and sealed, if a seal is required, by a duly authorized attorney-in-fact or agent, pursuant to and within the limits of the authority granted by his or her power of attorney.

This power of attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Directors of THE TRAVELERS INDEMNITY COMPANY at a meeting duly called and held on the 30th day of November, 1959:

VOTED: That the signature of any officer authorized by the By-Laws and the Company seal may be affixed by facsimile to any power of attorney or special power of attorney or certification of either given for the execution of any bond, undertaking, recognizance or other written obligation in the nature thereof; such signature and seal, when so used being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

____ This power of attorney revokes that dated October 23, 1973 on behalf of
Jerry P. Rose, Bill Cadenhead, Linda O'Nale, Kenneth H. Polson _____

IN WITNESS WHEREOF, THE TRAVELERS INDEMNITY COMPANY has caused these presents to be signed by its proper officer and its corporate seal to be hereunto affixed this 5th day of October 19 82.



THE TRAVELERS INDEMNITY COMPANY

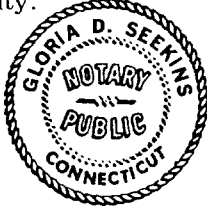
By

D. L. Sauls

Secretary, Surety

State of Connecticut, County of Hartford—ss:

On this 5th day of October in the year 1982 before me personally came D. L. Banta to me known, who, being by me duly sworn, did depose and say: that he resides in the State of Connecticut; that he is Secretary (Surety) of THE TRAVELERS INDEMNITY COMPANY, the corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of his office under the by-laws of said corporation, and that he signed his name thereto by like authority.



Gloria D. Seekins

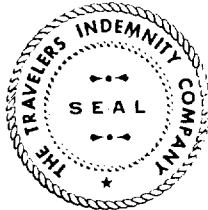
Notary Public

My commission expires April 1, 1983

CERTIFICATION

I, Paul D. Tubach, Assistant Secretary (Surety) of THE TRAVELERS INDEMNITY COMPANY, certify that the foregoing power of attorney, the above quoted Sections 14. and 16. of Article IV of the By-Laws and the Resolution of the Board of Directors of November 30, 1959 have not been abridged or revoked and are now in full force and effect.

Signed and Sealed at Hartford, Connecticut, this 4th day of February 19 85 .



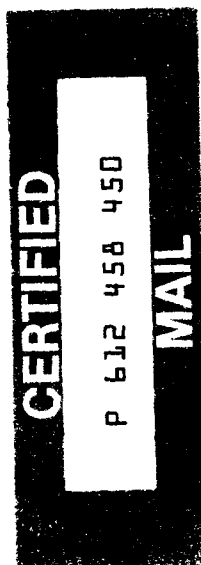
Paul D. Tubach

Assistant Secretary, Surety

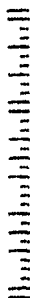
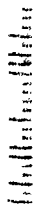
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504-2088



Texas Rose Petroleum, Inc.
16970 Dallas Parkway
Suite 702
Dallas, Texas 75248



RETURN RECEIPT REQUESTED



PS Form 3811, July 1983 447-945

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☒ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

Texas Rose Petroleum, Inc.
16970 Dallas Parkway
Suite 702
Dallas, Texas 75248

4. Type of Service:

Article Number

- ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

P 612 458 450

Always obtain signature of addressee or agent and
DATE DELIVERED.

5. Signature – Addressee

x

6. Signature – Agent

x

7. Date of Delivery

8. Addressee's Address (*ONLY if requested and fee paid*)

DOMESTIC RETURN RECEIPT

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

February 9, 1987

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

CERTIFIED - RETURN
RECEIPT REQUESTED

Texas Rose Petroleum Inc.
16970 Dallas Parkway
Suite 702
Dallas, Texas 75248

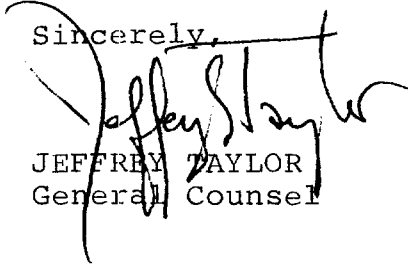
The Travelers Indemnity Co.
P. O. Box 660055
Dallas, Texas 75266-0055

Re: El Poso Ranch Well No. 1,
located in Unit J of Section
14; Well No. 2, located in
Unit N of Section 14; Well No.
3, located in Unit N of Section
11; Well No. 7, located in Unit
O of Section 14; and Well No. 8,
located in Unit K of Section 14,
all in Township 28 North, Range
1 East, Rio Arriba County
Plugging Bond

Gentlemen:

Enclosed is a copy of the docket of the Examiner hearing
to be held on Wednesday, February 18, 1987, at 8:15 a.m. in
the Oil Conservation Division Conference Room, State Land
Office Building, Santa Fe, New Mexico. Case 9074 concerns
the above captioned subject matter.

Sincerely,


JEFFREY TAYLOR
General Counsel

JT/fd
enc.

Dockets Nos. 7-87 and 8-87 are tentatively set for March 4, and March 18, 1987. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 18, 1987
8:15 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before David R. Catanach, Examiner, or Michael E. Stogner, Alternate Examiner:

✓ CASE 9074: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Texas Rose Petroleum, Inc., The Travelers Indemnity Company and all other interested parties to appear and show cause why the following five wells, all on the El Poso Ranch Lease and located in Township 28 North, Range 1 East, Rio Arriba County, New Mexico, as projected into the unsurveyed Tierra Amarilla Land Grant, should not be plugged and abandoned in accordance with a Division-approved plugging program:

Well No. 1 located 1824 feet from the South line and 1778 feet from the East line (Unit J) of Section 14;

Well No. 2 located 618 feet from the South line and 2418 feet from the West line (Unit N) of Section 14;

Well No. 3 located 967 feet from the South line and 2148 feet from the West line (Unit N) of Section 11;

Well No. 7 located 990 feet from the South line and 2310 feet from the East line (Unit O) of Section 14; and,

Well No. 8 located 2310 feet from the South and West lines (Unit K) of Section 14.

CASE 9075: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Texas Rose Petroleum, Inc., the Travelers Indemnity Company and all other interested parties to appear and show cause why the Quinlan Ranch Well No. 1 located at a point S44 25'.05"E, a distance of 9040 feet from the Mile Corner No. 202 + 5.10 feet on the boundary line between Colorado and New Mexico (the NW/4 NE/4 [Unit B] of projected Section 29, Township 32 North, Range 3 East), Tierra Amarilla Land Grant, Rio Arriba County, New Mexico, should not be re-plugged and abandoned in accordance with a Division-approved plugging program.

CASE 9076: Application of Yates Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Moonrise State Unit Area comprising 1600.00 acres, more or less, of State lands in Township 18 South, Range 36 East.

CASE 9077: Application of BTA Oil Producers for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the South Double A-Abo Pool in the open-hole interval from approximately 9,300 feet to 9,580 feet in its Buckeye -B-, 8601 JV-P Well No. 2, located 1980 feet from the North and East Lines (Unit G) of Section 36, Township 17 South, Range 35 East.

CASE 9078: Application of BTA Oil Producers to contract the horizontal limits of the West Osudo-Wolfcamp Pool and the concomitant creation of a new gas pool with special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the West Osudo-Wolfcamp Pool by the deletion therefrom of the NE/4 of Section 23, Township 20 South, Range 35 East, and the concomitant creation of a new gas pool for Wolfcamp production comprising the aforementioned area. Applicant further seeks the promulgation of temporary special pool rules therefor including a provision for 160-acre spacing.

CASE 9070: (Continued from February 4, 1987, Examiner Hearing)

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 in the Cisco Canyon formation underlying the SE/4 of Section 19, Township 19 South, Range 25 East, to form a standard 160-acre gas spacing and proration 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 the cost thereof as well as operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 9066: (Continued from January 21, 1987, Examiner Hearing)

Application of Kendall and Associates, Inc. for salt water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Farmington formation in the perforated interval from approximately 700 feet to 755 feet in its Hare Well No. 1 located 1980 feet from the North line and 1650 feet from the East line (Unit G) of Section 23, Township 29 North, Range 11 West, Bloomfield-Farmington Oil Pool.

CASE 9079: Application of Conoco, Inc. for hardship gas well classification, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Levers Federal Well No. 1 located 1594 feet from the North line and 660 feet from the West line (Unit E) of Section 2, Township 21 South, Range 25 East, Springs-Upper Pennsylvanian Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.CASE 9080: Application of Conoco Inc. for hardship gas well classification, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Federal 34 Well No. 1 located 960 feet from the South line and 1980 feet from the West line (Unit N) of Section 34, Township 20 South, Range 26 East, Springs-Upper Pennsylvanian Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.CASE 9081: Application of Conoco, Inc. for hardship gas well classification, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Federal 34 Well No. 2 located 2310 feet from the North line and 1290 feet from the East line (Unit H) of Section 34, Township 20 South, Range 26 East, Spring-Upper Pennsylvanian Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.CASE 9071: (Continued from February 4, 1987, Examiner Hearing)

Application of Foran Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Northeast Lovington-Pennsylvanian Pool underlying the S/2 NW/4 of Section 8, Township 16 South, Range 37 East, to form a standard 80-acre oil spacing and proration 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 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.

CASE 9082: Application of Manana Gas, Inc. for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for its proposed Cook Well No. 1-E to be drilled 235 feet from the North line and 368 feet from the West line (Unit D) of Section 22, Township 29 North, Range 11 West, Basin-Dakota Pool, the W/2 of said Section 22 to be dedicated to the well.CASE 9083: Application of HNG Oil Company for a non-standard oil proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard oil proration unit comprising the NE/4 SE/4 and the SE/4 NE/4 of Section 34, Township 23 South, Range 28 East, Undesignated South Culebra Bluff-Bone Spring Pool, to be dedicated to its Pardue 34 Com Well No. 1 located at a standard oil well location 2310 feet from the North line and 660 feet from the East line (Unit H) of said Section 34.CASE 9060: (Continued from February 4, 1987, Examiner Hearing)

Application of ARCO Oil and Gas Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Atoka formation underlying the W/2 of Section 23, Township 17 South, Range 35 East, to form a standard 320-acre gas spacing and proration 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 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.

CASE 9084: Application of ARCO Oil and Gas Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of production from the Justis-Blinebry and Justis-Montoya Pools in the wellbore of its State Y Well No. 3 located 330 feet from the North line and 1650 feet from the East line of Section 25, Township 25 South, Range 37 East.CASE 9048: (Continued from January 7, 1987, Examiner Hearing)

Application of Benson-Montin-Greer Drilling Corporation for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the West

Puerto Chiquito-Mancos Oil Pool underlying all of Section 20, Township 25 North, Range 1 West, to form a standard 640-acre spacing and proration 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 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.

CASE 9085: Application of Mallon Oil Company to amend the Special Rules and Regulations for the BMG West Puerto Chiquito-Mancos Pressure Maintenance Project Area as promulgated by Division Order No. R-3401, as amended, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order amending the Special Rules and Regulations for the BMG West Puerto Chiquito-Mancos Pressure Maintenance Project Area as promulgated by Division Order No. R-3401, as amended, to reflect that the gas injection credit not be applied to any wells located within the "Buffer Zone" established by the Special Rules for the West Puerto Chiquito-Mancos Oil Pool as promulgated by Division Order No. R-6469-B, as amended.

CASE 9073: (Continued from February 4, 1987, Examiner Hearing)

Application of Mallon Oil Company for the reinstatement of oil production allowables and an exception to the provisions of Division General Rule 502 for certain wells located in the Gavilan-Mancos Oil Pool, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order reinstating the oil allowables which should have been assigned to the following described wells, all in Township 25 North, Range 2 West, Gavilan-Mancos Oil Pool, for the months of January, February, March, and April, 1986. Applicant further seeks an exemption to the provisions of Division General Rule 502 which limit the period of time an operator is given to make up any overproduction of oil and casinghead gas:

Howard Federal "1" Well No. 8 located in
Unit H of Section 1;

Howard Federal "1" Well No. 11 located in
Unit K of Section 1;

Fisher Federal "2" Well No. 1 located in
Unit A of Section 2;

Ribeyowids Federal "2" Well No. 16 located
in Unit P of Section 2; and,

Johnson Federal "12" Well No. 5 located in
Unit E of Section 12.

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



February 9, 1987

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

CERTIFIED - RETURN
RECEIPT REQUESTED

Texas Rose Petroleum, Inc.
16970 Dallas Parkway
Suite 702
Dallas, Texas 75248

The Travelers Indemnity Co.
P. O. Box 660055
Dallas, Texas 75266-0055

Re: Quinlan Ranch Well No. 1,
located in Unit B of Section
29, Township 32 North, Range
3 East, Rio Arriba County
Plugging Bond

Gentlemen:

Enclosed is a copy of the docket of the Examiner hearing to be held on Wednesday, February 18, 1987, at 8:15 a.m. in the Oil Conservation Division Conference Room, State Land Office Building, Santa Fe, New Mexico. Case 9075 concerns the above captioned subject matter.

Sincerely,


JEFFREY TAYLOR
General Counsel

JT/fd
enc.

Dockets Nos. 7-87 and 8-87 are tentatively set for March 4, and March 18, 1987. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 18, 1987
8:15 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before David R. Catanach, Examiner, or Michael E. Stogner, Alternate Examiner:

CASE 9074: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Texas Rose Petroleum, Inc., The Travelers Indemnity Company and all other interested parties to appear and show cause why the following five wells, all on the El Poso Ranch Lease and located in Township 28 North, Range 1 East, Rio Arriba County, New Mexico, as projected into the unsurveyed Tierra Amarilla Land Grant, should not be plugged and abandoned in accordance with a Division-approved plugging program:

Well No. 1 located 1824 feet from the South line and 1778 feet from the East line (Unit J) of Section 14;

Well No. 2 located 618 feet from the South line and 2418 feet from the West line (Unit N) of Section 14;

Well No. 3 located 967 feet from the South line and 2148 feet from the West line (Unit N) of Section 11;

Well No. 7 located 990 feet from the South line and 2310 feet from the East line (Unit O) of Section 14; and,

Well No. 8 located 2310 feet from the South and West lines (Unit K) of Section 14.

CASE 9075: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Texas Rose Petroleum, Inc., the Travelers Indemnity Company and all other interested parties to appear and show cause why the Quinlan Ranch Well No. 1 located at a point S44 25'.05"E, a distance of 9040 feet from the Mile Corner No. 202 + 5.10 feet on the boundary line between Colorado and New Mexico (the NW/4 NE/4 [Unit B] of projected Section 29, Township 32 North, Range 3 East), Tierra Amarilla Land Grant, Rio Arriba County, New Mexico, should not be re-plugged and abandoned in accordance with a Division-approved plugging program.

CASE 9076: Application of Yates Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Moonrise State Unit Area comprising 1600.00 acres, more or less, of State lands in Township 18 South, Range 36 East.

CASE 9077: Application of BTA Oil Producers for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the South Double A-Abo Pool in the open-hole interval from approximately 9,300 feet to 9,580 feet in its Buckeye -B-, 8601 JV-P Well No. 2, located 1980 feet from the North and East Lines (Unit G) of Section 36, Township 17 South, Range 35 East.

CASE 9078: Application of BTA Oil Producers to contract the horizontal limits of the West Osudo-Wolfcamp Pool and the concomitant creation of a new gas pool with special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the West Osudo-Wolfcamp Pool by the deletion therefrom of the NE/4 of Section 23, Township 20 South, Range 35 East, and the concomitant creation of a new gas pool for Wolfcamp production comprising the aforementioned area. Applicant further seeks the promulgation of temporary special pool rules therefor including a provision for 160-acre spacing.

CASE 9070: (Continued from February 4, 1987, Examiner Hearing)

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 in the Cisco Canyon formation underlying the SE/4 of Section 19, Township 19 South, Range 25 East, to form a standard 160-acre gas spacing and proration 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 the cost thereof as well as operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 9066: (Continued from January 21, 1987, Examiner Hearing)

Application of Kendall and Associates, Inc. for salt water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Farmington formation in the perforated interval from approximately 700 feet to 755 feet in its Hare Well No. 1 located 1980 feet from the North line and 1650 feet from the East line (Unit G) of Section 23, Township 29 North, Range 11 West, Bloomfield-Farmington Oil Pool.

CASE 9079: Application of Conoco, Inc. for hardship gas well classification, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Levers Federal Well No. 1 located 1594 feet from the North line and 660 feet from the West line (Unit E) of Section 2, Township 21 South, Range 25 East, Springs-Upper Pennsylvanian Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.CASE 9080: Application of Conoco Inc. for hardship gas well classification, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Federal 34 Well No. 1 located 960 feet from the South line and 1980 feet from the West line (Unit N) of Section 34, Township 20 South, Range 26 East, Springs-Upper Pennsylvanian Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.CASE 9081: Application of Conoco, Inc. for hardship gas well classification, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Federal 34 Well No. 2 located 2310 feet from the North line and 1290 feet from the East line (Unit H) of Section 34, Township 20 South, Range 26 East, Spring-Upper Pennsylvanian Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.CASE 9071: (Continued from February 4, 1987, Examiner Hearing)

Application of Foran Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Northeast Lovington-Pennsylvanian Pool underlying the S/2 NW/4 of Section 8, Township 16 South, Range 37 East, to form a standard 80-acre oil spacing and proration 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 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.

CASE 9082: Application of Manana Gas, Inc. for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for its proposed Cook Well No. 1-E to be drilled 235 feet from the North line and 368 feet from the West line (Unit D) of Section 22, Township 29 North, Range 11 West, Basin-Dakota Pool, the W/2 of said Section 22 to be dedicated to the well.CASE 9083: Application of HNG Oil Company for a non-standard oil proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard oil proration unit comprising the NE/4 SE/4 and the SE/4 NE/4 of Section 34, Township 23 South, Range 28 East, Undesignated South Culebra Bluff-Bone Spring Pool, to be dedicated to its Pardue 34 Com Well No. 1 located at a standard oil well location 2310 feet from the North line and 660 feet from the East line (Unit H) of said Section 34.CASE 9060: (Continued from February 4, 1987, Examiner Hearing)

Application of ARCO Oil and Gas Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Atoka formation underlying the W/2 of Section 23, Township 17 South, Range 35 East, to form a standard 320-acre gas spacing and proration 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 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.

CASE 9084: Application of ARCO Oil and Gas Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of production from the Justis-Blinberry and Justis-Montoya Pools in the wellbore of its State Y Well No. 3 located 330 feet from the North line and 1650 feet from the East line of Section 25, Township 25 South, Range 37 East.CASE 9048: (Continued from January 7, 1987, Examiner Hearing)

Application of Benson-Montin-Greer Drilling Corporation for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the West

Puerto Chiquito-Mancos Oil Pool underlying all of Section 20, Township 25 North, Range 1 West, to form a standard 640-acre spacing and proration 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 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.

CASE 9085: Application of Mallon Oil Company to amend the Special Rules and Regulations for the RMG West Puerto Chiquito-Mancos Pressure Maintenance Project Area as promulgated by Division Order No. R-3401, as amended, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order amending the Special Rules and Regulations for the RMG West Puerto Chiquito-Mancos Pressure Maintenance Project Area as promulgated by Division Order No. R-3401, as amended, to reflect that the gas injection credit not be applied to any wells located within the "Buffer Zone" established by the Special Rules for the West Puerto Chiquito-Mancos Oil Pool as promulgated by Division Order No. R-6469-B, as amended.

CASE 9073: (Continued from February 4, 1987, Examiner Hearing)

Application of Mallon Oil Company for the reinstatement of oil production allowables and an exception to the provisions of Division General Rule 502 for certain wells located in the Gavilan-Mancos Oil Pool, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order reinstating the oil allowables which should have been assigned to the following described wells, all in Township 25 North, Range 2 West, Gavilan-Mancos Oil Pool, for the months of January, February, March, and April, 1986. Applicant further seeks an exemption to the provisions of Division General Rule 502 which limit the period of time an operator is given to make up any overproduction of oil and casinghead gas:

Howard Federal "1" Well No. 8 located in
Unit H of Section 1;

Howard Federal "1" Well No. 11 located in
Unit K of Section 1;

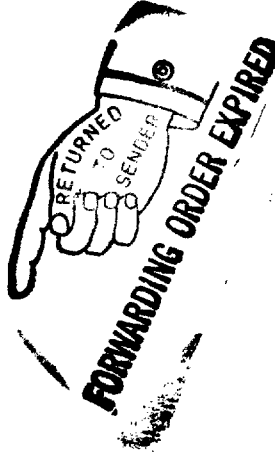
Fisher Federal "2" Well No. 1 located in
Unit A of Section 2;

Ribeyowids Federal "2" Well No. 16 located
in Unit P of Section 2; and,

Johnson Federal "12" Well No. 5 located in
Unit E of Section 12.

ENERGY and MINERALS DEPARTMENT

Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504-2088



Texas Rose Petroleum Inc.
16970 Dallas Parkway
Suite 702
Dallas, Texas 75248

TEX 70X 23032671 03/03/87

RETURN TO SENDER
NO FORWARDING ORDER ON FILE
UNABLE TO FORWARD

P 612 458 451

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
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★ U.S.G.P.O. 1983-403-517

PS Form 3800, Feb. 1982

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Travelers Indemnity Co.	
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P.O., State and ZIP Code	
Dallas, Texas 75266-0055	
Postage	\$
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Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. <u>The return receipt fee will provide you the name of the person delivered to and the date of delivery.</u> For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.	
1. <input checked="" type="checkbox"/> Show to whom, date and address of delivery.	
2. <input type="checkbox"/> Restricted Delivery.	
3. Article Addressed to:	
The Travelers Indemnity Co. P. O. Box 660055 Dallas, Texas 75266-0055	
4. Type of Service:	Article Number
<input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail	P 612 458 451
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature - Addressee	
X	
6. Signature - Agent	
X <i>B. Willis</i>	
7. Date of Delivery	
FEB 13 1987	
8. Addressee's Address (ONLY if requested and fee paid)	

P 612 458 450

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1983-403-517
PS Form 3800, Feb. 1982

Sent to Texas Rose Petroleum Inc.	
Street and No. 16970 Dallas Pkwy. Ste. 70:	
P.O., State and ZIP Code Dallas, Texas 75248	
Postage	\$
Certified Fee	
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Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

February 27, 1987

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Texas Rose Petroleum Inc.
16970 Dallas Parkway
Suite 702
Dallas, Texas 75248

Re: CASE NO. 9074
ORDER NO. R-8404

Applicant:

OCD (Texas Rose Petroleum Inc.)

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

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD x

Other Travelers Indemnity Company

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

CASE NO. 9074
Order No. R-8404

IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION DIVISION ON ITS
OWN MOTION TO PERMIT TEXAS ROSE PETROLEUM,
INC., THE TRAVELERS INDEMNITY COMPANY AND
ALL OTHER INTERESTED PARTIES TO APPEAR AND
SHOW CAUSE WHY FIVE CERTAIN WELLS ON THE EL
POSO RANCH LEASE IN RIO ARriba COUNTY, NEW
MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED
IN ACCORDANCE WITH A DIVISION-APPROVED PLUGGING
PROGRAM.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on February 18, 1987, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 26th day of February, 1987, 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) At the time of the hearing Division Cases Nos. 9074 and 9075 were consolidated for purposes of testimony.

(3) Texas Rose Petroleum, Inc. is the owner and operator of the following five wells, all on the El Poso Ranch Lease in Township 28 North, Range 1 East, NMPM, Rio Arriba County, New Mexico, as projected into the unsurveyed Tierra Amarilla Land Grant:

Well No. 1 located 1824 feet from the South line and 1778 feet from the East line (Unit J) of Section 14;

Well No. 2 located 618 feet from the South line and 2418 feet from the West line (Unit N) of Section 14;

Well No. 3 located 967 feet from the South line and 2148 feet from the West line (Unit N) of Section 11;

Well No. 7 located 990 feet from the South line and 2310 feet from the East line (Unit O) of Section 14; and,

Well No. 8 located 2310 feet from the South and West lines (Unit K) of Section 14.

(4) The Travelers Indemnity Company is the surety on the Oil Conservation Division blanket plugging bond on which Texas Rose Petroleum, Inc. is principal.

(5) The purpose of said bond is to assure the state that the subject wells will be properly plugged and abandoned when they are no longer capable of commercial production.

(6) In order to prevent waste, to protect correlative rights, and to protect fresh waters the above-described wells should be plugged and abandoned in accordance with a program approved by the Aztec District Office of the New Mexico Oil Conservation Division on or before March 31, 1987, or the wells should be returned to active drilling status or placed on production.

IT IS THEREFORE ORDERED THAT:

(1) Texas Rose Petroleum, Inc. and Travelers Indemnity Company are hereby ordered to plug and abandon the following five wells on or before March 31, 1987;

Well No. 1 located 1824 feet from the South line and 1778 feet from the East line (Unit J) of Section 14;

Well No. 2 located 618 feet from the South line and 2418 feet from the West line (Unit N) of Section 14;

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Well No. 7 located 990 feet from the South line and 2310 feet from the East line (Unit O) of Section 14; and,

Well No. 8 located 2310 feet from the South and West lines (Unit K) of Section 14.

All on the El Poso Ranch Lease in Township 28 North, Range 1 East, NMPM, Rio Arriba County, New Mexico, as projected into the unsurveyed Tierra Amarilla Land Grant.

(2) Texas Rose Petroleum, Inc. and Travelers Indemnity Company, prior to plugging and abandoning the above-described wells, shall obtain from the Aztec office of the Division, a Division-approved program for said plugging and abandoning, and shall notify said Aztec office of the date and hour said work is to be commenced whereupon the Division may, at its option, witness such work.

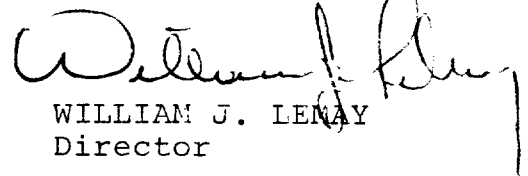
(3) IN THE ALTERNATIVE, the Supervisor of the Division's district office at Aztec may permit any of said wells to be completed or recompleted as a producer provided that an acceptable plan for such work is filed with such office prior to March 31, 1987, provided that such work shall be completed within 180 days following entry of this order.

(4) Should either party fail or refuse to carry out such provisions in accordance with the terms of this order, the Division shall then take such actions as are deemed necessary to have the wells properly plugged.

(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

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

CASE NO. 9074
Order No. R-8404

IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION DIVISION ON ITS
OWN MOTION TO PERMIT TEXAS ROSE PETROLEUM,
INC., THE TRAVELERS INDEMNITY COMPANY AND
ALL OTHER INTERESTED PARTIES TO APPEAR AND
SHOW CAUSE WHY FIVE CERTAIN WELLS ON THE EL
POSO RANCH LEASE IN RIO ARRIBA COUNTY, NEW
MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED
IN ACCORDANCE WITH A DIVISION-APPROVED PLUGGING
PROGRAM.

ORDER OF THE DIVISION

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NOW, on this 26th day of February, 1987, 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.

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(3) Texas Rose Petroleum, Inc. is the owner and operator of the following five wells, all on the El Poso Ranch Lease in Township 28 North, Range 1 East, NMPM, Rio Arriba County, New Mexico, as projected into the unsurveyed Tierra Amarilla Land Grant:

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Well No. 2 located 618 feet from the South line and 2418 feet from the West line (Unit N) of Section 14;

Well No. 3 located 967 feet from the South line and 2148 feet from the West line (Unit N) of Section 11;

Well No. 7 located 990 feet from the South line and 2310 feet from the East line (Unit O) of Section 14; and,

Well No. 8 located 2310 feet from the South and West lines (Unit K) of Section 14.

(4) The Travelers Indemnity Company is the surety on the Oil Conservation Division blanket plugging bond on which Texas Rose Petroleum, Inc. is principal.

(5) The purpose of said bond is to assure the state that the subject wells will be properly plugged and abandoned when they are no longer capable of commercial production.

(6) In order to prevent waste, to protect correlative rights, and to protect fresh waters the above-described wells should be plugged and abandoned in accordance with a program approved by the Aztec District Office of the New Mexico Oil Conservation Division on or before March 31, 1987, or the wells should be returned to active drilling status or placed on production.

IT IS THEREFORE ORDERED THAT:

(1) Texas Rose Petroleum, Inc. and Travelers Indemnity Company are hereby ordered to plug and abandon the following five wells on or before March 31, 1987;

Well No. 1 located 1824 feet from the South line and 1778 feet from the East line (Unit J) of Section 14;

Well No. 2 located 618 feet from the South line and 2418 feet from the West line (Unit N) of Section 14;

Well No. 3 located 967 feet from the South line and 2148 feet from the West line (Unit N) of Section 11;

Well No. 7 located 990 feet from the South line and 2310 feet from the East line (Unit O) of Section 14; and,

Well No. 8 located 2310 feet from the South and West lines (Unit K) of Section 14.

All on the El Poso Ranch Lease in Township 28 North, Range 1 East, NMPM, Rio Arriba County, New Mexico, as projected into the unsurveyed Tierra Amarilla Land Grant.

(2) Texas Rose Petroleum, Inc. and Travelers Indemnity Company, prior to plugging and abandoning the above-described wells, shall obtain from the Aztec office of the Division, a Division-approved program for said plugging and abandoning, and shall notify said Aztec office of the date and hour said work is to be commenced whereupon the Division may, at its option, witness such work.

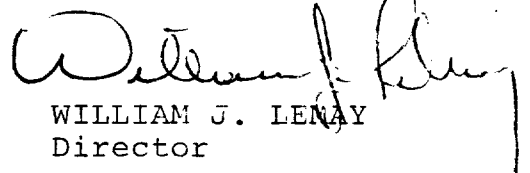
(3) IN THE ALTERNATIVE, the Supervisor of the Division's district office at Aztec may permit any of said wells to be completed or recompleted as a producer provided that an acceptable plan for such work is filed with such office prior to March 31, 1987, provided that such work shall be completed within 180 days following entry of this order.

(4) Should either party fail or refuse to carry out such provisions in accordance with the terms of this order, the Division shall then take such actions as are deemed necessary to have the wells properly plugged.

(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. LENAY
Director

S E A L

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

February 9, 1987

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

CERTIFIED - RETURN
RECEIPT REQUESTED

Texas Rose Petroleum Inc.
16970 Dallas Parkway
Suite 702
Dallas, Texas 75248

The Travelers Indemnity Co.
P. O. Box 660055
Dallas, Texas 75266-0055

Re: El Poso Ranch Well No. 1,
located in Unit J of Section
14; Well No. 2, located in
Unit N of Section 14; Well No.
3, located in Unit N of Section
11; Well No. 7, located in Unit
O of Section 14; and Well No. 8,
located in Unit K of Section 14,
all in Township 28 North, Range
1 East, Rio Arriba County
Plugging Bond

Gentlemen:

Enclosed is a copy of the docket of the Examiner hearing
to be held on Wednesday, February 18, 1987, at 8:15 a.m. in
the Oil Conservation Division Conference Room, State Land
Office Building, Santa Fe, New Mexico. Case 9074 concerns
the above captioned subject matter.

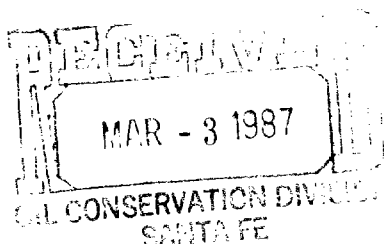
Sincerely,

JEFFREY TAYLOR
General Counsel

JT/fd
enc.



The Travelers Companies
Two NorthPark East
P.O. Box 660055
Dallas, TX 75266-0055



Daniel L. Wolfe
Manager
Surety Department

Dallas Office

February 19, 1987

State of New Mexico
Energy and Minerals Department
P.O. Box 2086
State Board Office Building
Santa Fe, New Mexico 87501

Attn: Mr. Jeffery Taylor

Re: Case 9074, Texas Rose Petroleum, Inc.
El Paso Ranch
Various Wells & Locations
Plugging Bond #981F609A

Dear Mr. Taylor:

The Travelers Indemnity Company acknowledges receipt of your letter advising us of the hearing set for Wednesday, February 18, 1987. Please advise us of the procedure we need to follow to get this matter delayed in order that we can investigate this matter with our principal, Texas Rose Petroleum, Inc.

We would appreciate whatever assistance you can be in this matter.

Sincerely yours,
THE TRAVELERS INDEMNITY COMPANY

Joseph C. Newton
Senior Account Analyst

JCN/df

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

February 27, 1987

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Texas Rose Petroleum Inc.
16970 Dallas Parkway
Suite 702
Dallas, Texas 75248

Re: CASE NO. 9074
ORDER NO. R-8404

Applicant:

OCD (Texas Rose Petroleum Inc.)

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

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD x

Other Travelers Indemnity Company

HINKLE, COX, EATON, COFFIELD & HENSLEY

Dec

LEWIS C. COX
PAUL W. EATON
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
C. D. MARTIN
PAUL J. KELLY, JR.
OWEN M. LOPEZ
DOUGLAS L. JUNSFORD
T. CALDER EZZELL, JR.
WILLIAM B. BURFORD*
RICHARD E. OLSON
RICHARD A. SIMMS
RICHARD B. WILFONG*
STEVEN D. ARNOLD
JAMES J. WECHSLER
NANCY S. CUSACK
JEFFREY L. FORNACIARI
JEFFREY D. HEWETT*
JAMES BRUCE
JERRY F. SHACKELFORD*
JEFFREY W. HELLBERG*

ALBERT L. PITTS
THOMAS M. HNASKO
FRED W. SCHWENDIMANN
THOMAS D. HAINES, JR.
MICHAEL F. MILLERICK
FRANKLIN H. MCCALLUM*
ALLEN G. HARVEY
GREGORY J. NIBERT
DAVID T. MARKETTE*
JAMES R. MCADAMS*
JAMES M. HUDSON
MACDONNELL GORDON
REBECCA J. NICHOLS
PAUL R. NEWTON
WILLIAM R. JOHNSON
KAREN M. RICHARDSON*
TIANE L. SOMMER
JOSEPH J. MASTROGIOVANNI, JR.*
ELLEN S. CASEY
JAMES C. BROCKMANN
SUSAN L. NIESER*

ATTORNEYS AT LAW

218 MONTEZUMA

POST OFFICE BOX 2068

SANTA FE, NEW MEXICO 87504-2068

(505) 982-4554

200 CENTURY PLAZA
POST OFFICE BOX 3580
MIDLAND, TEXAS 79702
(915) 683-4691

1700 TEXAS AMERICAN BANK BUILDING
POST OFFICE BOX 9238
AMARILLO, TEXAS 79105
(806) 372-5569

700 UNITED BANK PLAZA
POST OFFICE BOX 10
ROSWELL, NEW MEXICO 88201
(505) 622-6510

June 1, 1987

OF COUNSEL
ROY C. SNOODGRASS, JR.
O. M. CALHOUN
MACK EASLEY
JOE W. WOOD
STEPHEN L. ELLIOTT

CLARENCE E. HINKLE (1904-1985)
W. E. BONDURANT, JR. (1913-1973)
ROBERT A. STONE (1905-1981)

*NOT LICENSED IN NEW MEXICO

Mr. William LeMay, Director
Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87501

HAND DELIVERED

Dear Mr. LeMay:

Please continue Case Nos. 8863 (reopened), 8864 (reopened),
and 9074 (reopened) to the July 1, 1987 Examiner Hearing.

Very truly yours,

HINKLE, COX, EATON,
COFFIELD & HENSLEY

James Bruce
James Bruce

JGB:jr

HINKLE, COX, EATON, COFFIELD & HENSLEY

LEWIS C. COX
PAUL W. EATON
CONRAD E. COFFIELD
HAROLD L. HENSLEY JR.
STUART D. SHANOR
C. D. MARTIN
PAUL J. KELLY JR.
OWEN M. LOPEZ
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JEFFREY D. HEWETT*
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JERRY F. SHACKELFORD*
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ALBERT L. PITTS
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THOMAS D. HAINES, JR.
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SUSAN L. NIESER*

ATTORNEYS AT LAW

218 MONTEZUMA

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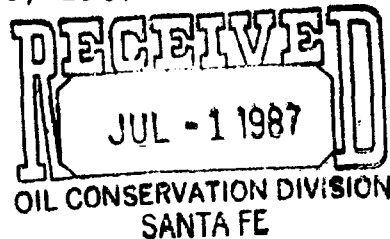
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June 26, 1987



OF COUNSEL
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STEPHEN L. ELLIOTT

CLARENCE E. HINKLE (1904-1981)
W. E. BONDURANT, JR. (1913-1973)
ROBERT A. STONE (1905-1981)

*NOT LICENSED IN NEW MEXICO

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

Re: Suntex Energy Corp. and
Alamo Oil and Gas Corp.

Dear Mr. LeMay:

Please continue Case Nos. 8863, 8864, and 9074 to the second Examiner hearing in August.

Thank you.

Very truly yours,

HINKLE, COX, EATON,
COFFIELD & HENSLEY

A handwritten signature in cursive script that reads "James Bruce". Below the signature, the name "James Bruce" is printed in a simple, sans-serif font.

JGB:jrr

cc: Mr. Joseph C. Newton
Mr. Frank Hill

HINKLE, COX, EATON, COFFIELD & HENSLEY

ATTORNEYS AT LAW

218 MONTEZUMA

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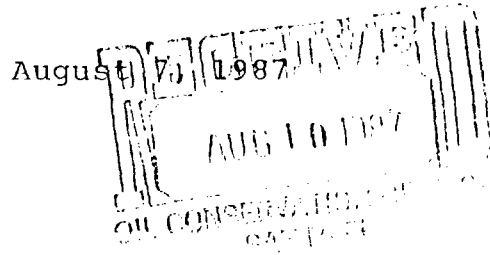
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CLARENCE E. HINKLE (1901-1995)
W. E. BONDURANT, JR. (1913-1973)
ROBERT A. STONE (1905-1990)

*NOT LICENSED IN NEW MEXICO



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

Re: Suntex Energy, Alana Oil & Gas,
and Texas Rose Petroleum

Dear Mr. LeMay:

Please continue Case Nos. 8863, 8864, and 9074 to the
September 9, 1987 Examiner hearing.

Very truly yours,

HINKLE, COX, EATON,
COFFIELD & HENSLEY


James Bruce

JGB:jr

cc: Mr. Joseph C. Newton

ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

December 14, 1937

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Mr. James Bruce
Hinkle, Cox, Eaton,
Coffield & Hensley
Attorneys at Law
Post Office Box 2063
Santa Fe, New Mexico

Re: CASE NO. 9074
ORDER NO. R-3404-A

Applicant:

Suntex Energy Corporation

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

Copy of order also sent to:

Hobbs OCD _____
Artesia OCD _____
Aztec OCD _____

Other _____
