

PADILLA & SNYDER

ATTORNEYS AT LAW

200 W. MARCY, SUITE 216

P.O. BOX 2523

SANTA FE, NEW MEXICO 87504-2523

(505) 988-7577

ERNEST L. PADILLA
MARY JO SNYDER

FAX 988-7592
AREA CODE 505

June 2, 1989

Case 967? RECEIVED
JUN 2 1989

HAND-DELIVERY

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

OIL CONSERVATION DIVISION

Re: Application of Santa Fe Exploration Company for
Amendment of the North King Camp Devonian Oil Pool
Special Pool Rules, Chaves County, New Mexico

Dear Mr. LeMay:

On behalf of our client, Santa Fe Exploration, we are hereby submitting their application, in triplicate, for approval of an unorthodox location and compulsory pooling in the above-captioned area.

If you have any questions or need further information from us, please let us know.

Thank you for your consideration of this application.

Very truly yours,



Ernest L. Padilla

ELP:njp

Enclosures as stated

cc: Santa Fe Exploration
293.

CAMPBELL & BLACK, P.A.

LAWYERS

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

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

June 28, 1989

HAND-DELIVERED

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

RECEIVED
JUN 28 1989
OIL CONSERVATION DIVISION

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

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

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

Dear Mr. LeMay:

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

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

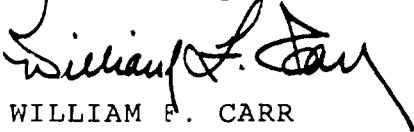
William J. LeMay, Director
Oil Conservation Division
June 28, 1989
Page Two

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

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

Your attention to this matter is appreciated.

Very truly yours,



WILLIAM F. CARR
WFC:mlh

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

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

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

Attn: William J. Kilay

PADILLA & SNYDER

ATTORNEYS AT LAW

200 W. MARCY, SUITE 216

P.O. BOX 2523

SANTA FE, NEW MEXICO 87504-2523

FAX 988-7592
AREA CODE 505

ERNEST L. PADILLA
MARY JO SNYDER

(505) 988-7577
August 4, 1989

HAND-DELIVERY

William F. Carr, Esquire
Campbell & Black, P.A.
110 North Guadalupe
Santa Fe, New Mexico 87501

Re: Application of Curry and Thornton for an unorthodox oil well location and a non-standard proration unit, Chaves County, New Mexico; Case 9617,
and
Application of Santa Fe Exploration Company for amendment of the special rules and regulations for the North King Camp-Devonian Pool, Chaves County, New Mexico; Case No. 9697

Dear Bill:

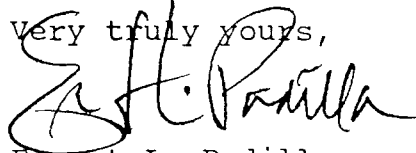
I have contacted my client with regard to continuance of the above-referenced cases and, considering the uncertainty of whether or not the well currently being sidetracked by Stevens Operating will be productive, Santa Fe Exploration has no objection to a continuance from the August 17, 1989 hearing date.

However, due to the uncertainty mentioned above and the apparent drilling problems that have been encountered in sidetracking the well, it is imperative that Santa Fe Exploration be kept informed of the drilling operations on a daily basis.

Like you, we are concerned that another case may have to be instituted to correct whatever drilling problems Stevens Operating may have encountered. Obviously, our concern lies with the exact bottomhole location should hydrocarbons be encountered as a result of the current drilling operations and whether those drilling operations violate the intent of orders issued by the Division.

William F. Carr, Esquire
August 4, 1989
Page - 2

We hope that we can know soon where we stand on this matter through the promised daily drilling reports, directional drilling survey, and logs.

Very truly yours,

Ernest L. Padilla

ELP:njp

cc: Santa Fe Exploration Company
Oil Conservation Commission
293.

PADILLA & SNYDER

ATTORNEYS AT LAW

200 W. MARCY, SUITE 216

P.O. BOX 2523

SANTA FE, NEW MEXICO 87504-2523

(505) 988-7577

ERNEST L. PADILLA
MARY JO SNYDER

FAX 988-7592
AREA CODE 505

August 10, 1989

HAND-DELIVERY

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

RECEIVED
RECEIVED
~~AUG 10 1989~~
AUG 10 1989
OIL CONSERVATION DIVISION
OIL CONSERVATION DIVISION

Re: Application of Stevens Operating Corporation to
Amend Division Order No. R-8917; Case No. 9670

Application of Curry and Thornton for an
unorthodox oil well location and a non-standard
proration unit, Chaves County, New Mexico; Case
9617,

and

Application of Santa Fe Exploration Company for
amendment of the special rules and regulations for
the North King Camp-Devonian Pool, Chaves County,
New Mexico; Case No. 9697

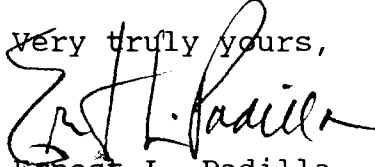
Dear Mr. LeMay:

On August 4, 1989, we sent a copy of a letter to Bill Carr, counsel for Stevens Operating Corporation and Curry and Thornton in the above-referenced matter and in Case 9617, stating that Santa Fe Exploration Company did not have an objection to continuance of the cases related to this matter. In our letter we did not reference Case 9670, nor did we specifically request continuance of Case 9697 which is Santa Fe Exploration's own application to amend the North King Camp Pool Rules.

Accordingly, we request continuance of Case 9697 to the Commission's September hearing date and clarify our August 4 letter to indicate that Santa Fe Exploration has no objection to Mr. Carr's request for continuance of Cases 9617 and 9670 also to the September Commission hearing date.

Mr. William F. LeMay
August 10, 1989
Page - 2

Should you have any questions please let me know.

Very truly yours,

Ernest L. Padilla

cc: Santa Fe Exploration Company
William F. Carr, Esq.

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
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POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

September 15, 1989

HAND-DELIVERED

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

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

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

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

Dear Mr. LeMay:

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

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

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

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

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

Your attention to this matter is appreciated.

Very truly yours,



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



ERNEST L. PADILLA
ATTORNEY FOR SANTA FE EXPLORATION COMPANY

WFC:mlf



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
 OIL CONSERVATION DIVISION

November 3, 1989

GARREY CARRUTHERS
 DIRECTOR

POST OFFICE BOX 2036
 STATE LAND OFFICE BUILDING
 SANTA FE NEW MEXICO 87501
 505 827 5800

Mr. Ernest L. Padilla
 Padilla & Snyder
 Attorneys at Law
 Post Office Box 2523
 Santa Fe, New Mexico

Re: CASE NO. 9697
 ORDER NO. R-9030

Applicant:
Santa Fe Exploration Company

Dear Sir:

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

Sincerely,

Florence Davidson

FLORENE DAVIDSON
 OC Staff Specialist

Copy of order also sent to:

Hobbs OCD x
 Artesia OCD x
 Aztec OCD

Other William F. Carr, Thomas Kellahin, Paul Cooter, Deborah Dungan