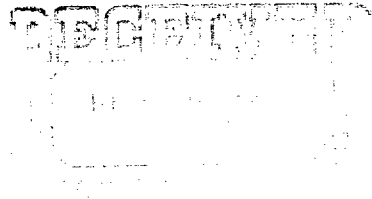


January 13, 1986



Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: TXO Production Corp.
Sprinkle Federal No. 4 Well
Case No. 8783
Order No. R-8136

Gentlemen:

Enclosed for filing, please find three copies of the Response of TXO Production Corp. to Request of Joseph S. Sprinkle for Stay of Division Order.

Thank you.

Sincerely yours,

DICKERSON, FISK & VANDIVER

Chad Dickerson

CD:pvm
Enclosures

cc w/enclosure: Mr. Jeff Bourgeois
Mr. W. Thomas Kellahin

Jason Kellahin
W. Thomas Kellahin
Karen Aubrey

KELLAHIN and KELLAHIN
Attorneys at Law
El Patio - 117 North Guadalupe
Post Office Box 2265
Santa Fe, New Mexico 87504-2265

Telephone 982-4285
Area Code 505

February 10, 1986

Mr. Richard L. Stamets
Director
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

"Hand Delivered"

Re: NMOCD Case 8783
Order R-8136

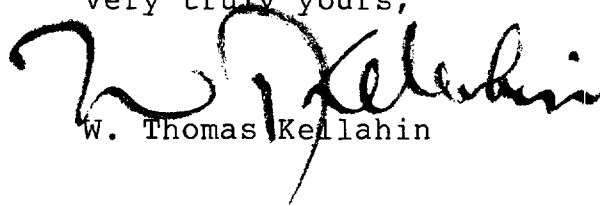
Dear Mr. Stamets:

Our firm represents Joseph S. Sprinkle, who was the party pooled by TXO Production Corporation in Division Case 8783, Order R-8136 entered effective January 22, 1986.

As a result of TXO Production Corporation's application for a DeNovo Hearing, this matter is now pending a decision before the Commission at a hearing set for February 26, 1986.

In accordance with Division Memorandum No. 3-85, we have enclosed our Request for Stay of the Division Order R-8136.

Very truly yours,



W. Thomas Kellahin

WTK:ca
Enc.

cc: Joseph S. Sprinkle
P. O. Box 6483
Denver, Colorado 80206

Chad Dickerson
Dickerson, Fisk & Vandiver
Attorneys at Law
Seventh & Mahone, Suite E
Artesia, New Mexico 88210

Jason Kellahin
W. Thomas Kellahin
Karen Aubrey

KELLAHIN and KELLAHIN
Attorneys at Law
El Patio - 117 North Guadalupe
Post Office Box 2265
Santa Fe, New Mexico 87504-2265

Telephone 982-4285
Area Code 505

February 18, 1986

RECEIVED

FEB 19 1986

OIL CONSERVATION DIVISION

Energy and Minerals Department
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

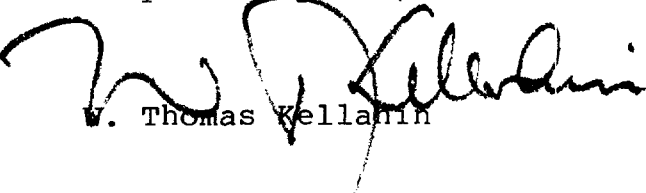
Re: Oil Conservation Division Case #8783, Order R-
8136; Sprinkle Federal No. 4 Well
Township 18 South, Range 32 East, NMPM
Section 26: SE/4 NW/4
Lea County, New Mexico

Gentlemen:

In connection with the captioned Application of Joseph S. Sprinkle for Compulsory Pooling, Lea County, New Mexico, we enclose herewith three copies of an Application for De Novo Hearing. Please set this case for Commission hearing at the earliest possible date.

Thank you.

Very truly yours,


W. Thomas Kellahin

WTK:mh
Enclosures

cc w/enclosure: Chad Dickerson, Esq.
Mr. Joseph S. Sprinkle

Jason Kellahin
W. Thomas Kellahin
Karen Aubrey

KELLAHIN and KELLAHIN
Attorneys at Law
El Patio - 117 North Guadalupe
Post Office Box 2265
Santa Fe, New Mexico 87504-2265

Telephone 982-4285
Area Code 505

February 19, 1986

RECEIVED

FEB 19 1986

Mr. Richard L. Stamets
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87504

OIL CONSERVATION DIVISION

"Hand Delivered"

Re: Sprinkle #3, NMOCD Case 8755, Order R-8135
Sprinkle #4, NMOCD Case 8783, Order R-8136

Dear Mr. Stamets:

In accordance with a request from your office, I wish to clarify the confusion about the above referenced cases.

I have never received a copy of the Order R-8135 and was under the mistaken impression that the forced pooling order R-8136 dealt with the Sprinkle #3 Well. I realized today, for the first time, that orders had been entered in both cases.

It is my intention to seek a stay of both forced pooling orders and to request a DeNovo hearing in both cases.

Accordingly, please find enclosed our request for DeNovo hearings in both cases. Further, please amend my request for a stay which we filed on February 10, 1986, to include a stay of both orders.

In both cases, TXO is trying to force Mr. Sprinkle to make his thirty day election based upon the Examiner orders and not under the final Commission orders to be entered in the respective cases.

Very truly yours,



W. Thomas Kellahin

WTK:ca
Enc.

cc: Chad Dickerson, Esq.
Joseph S. Sprinkle

April 4, 1986

RLL

Mr. R. L. Stamets, Director
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Case No. 8783 (De Novo)
Sprinkle Federal No. 4 Well
Township 18 South, Range 32 East, NMPM
Section 26: SE/4 NW/4
Lea County, New Mexico

Dear Mr. Stamets:

Confirming my telephone conversation of today with your secretary, TXO Production Corp. requests a continuance of Case No. 8783, which is set for de novo hearing before the Oil Conservation Commission on April 9, 1986, until the next Oil Conservation Commission hearing.

Thank you.

Very truly yours,

DICKERSON, FISK & VANDIVER

David R. Vandiver
David R. Vandiver

DRV:pvm

cc: Mr. Jeff Bourgeois
Mr. David Hundley
Mr. W. Thomas Kellahin

R. L. Stimuli

Re: TXO Production

Case

Order No. R-8136

746

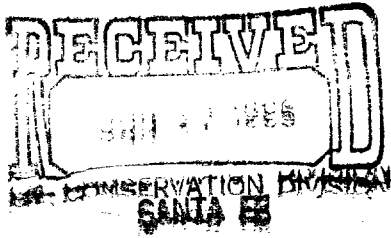
9841

Charles Richardson is requesting an
extension of time to drill a well

from July 1, 1986 to October 7, 1986

as ordered in the subject compulsory meeting
case. Why - the majority of the involved
interest have been told this extended time
would give them a chance to reach voluntary
746-9841 agreement.

Tom Sawyer



June 25, 1986

Mr. Michael Stogner, Examiner
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: TXO Production Corp.
Sprinkle Federal No. 4 Well
Case No. 8783
Order No. 8136

Dear Mr. Stogner:

TXO Production Corp. has reached a voluntary pooling agreement with all parties pooled by the Order entered in the above cause, except Mr. Burleson, owner of a small working interest.

TXO has obtained an extension of its drilling commencement date to October 7, 1986. It is requested that the Division likewise extend the commencement date of the above Order to October 7, 1986, from July 1, 1986, as now ordered.

Please confirm as soon as possible the extension requested above.

Thank you.

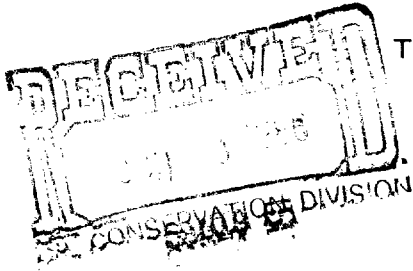
Sincerely yours,

DICKERSON, FISK & VANDIVER


Chad Dickerson

CD:pvm

cc: Mr. Jeff Bourgeois



TXO PRODUCTION CORP.
900 WILCO BUILDING
MIDLAND, TEXAS 79701
915-682-7992

June 27, 1986

Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Richard L. Stamets

Re: Case #8783, Order #R-8135
Sprinkle Federal #4
SE/4 NW/4 Section 26
T-18-S, R-32-E
Lea County, New Mexico

Dear Mr. Stamets:

In accordance with your recent telephone conversation with Mr. Chad Dickerson, we are writing in order to request an extension of the commence date as written in the above referenced order. I believe the present Order requires that the Sprinkle Federal #4 well be spudded on or before July 1, 1986.

We have contacted all of the participating working interest owners regarding this request, and they are amenable to the 90 day extension. In addition, the people who had farmed out their interest to TXO have agreed to grant us an extension until October 7, 1986 to spud the Sprinkle Federal #4.

If you should require any additional information in order to grant the requested extension, please give me a call and I will endeavor to supply the information as soon as possible. Inasmuch as the Sprinkle Federal #4 commence date is July 1, we would appreciate your early attention to our request. Thank you for your assistance and cooperation and we shall look forward to hearing from you in the near future.

Sincerely,

David M. Hundley
David M. Hundley
District Landman

DMH/dlt

cc: Mr. Chad Dickerson
Dickerson, Fisk & Vandiver
Mahone Office Court, Suite E
7th and Mahone
Artesia, New Mexico 88210

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
DOUGLAS L. LUNSFORD
T. CALDER EZZELL, JR.
WILLIAM B. BURFORD*
RICHARD E. CLSON
RICHARD A. SIMMS
RICHARD R. 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
FRED W. SCHWENDIMANN
THOMAS D. HAINES, JR.
THOMAS M. HNASKO
MICHAEL F. MILLERICK
FRANKLIN H. MCCALLUM*
ALLEN G. HARVEY
GREGORY J. NIBERT
JUDY K. MOORE*
DAVID T. MARKETTE*
JAMES R. MCADAMS*
JAMES M. HUDSON
MACDONNELL GORDON
REBECCA J. NICHOLS
PAUL R. NEWTON
WILLIAM R. JOHNSON*
CHRISTOPHER S. RAY

OF COUNSEL
ROY C. SNOODGRASS, JR.
O. M. CALHOUN
MACK BASLEY
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

ATTORNEYS AT LAW

218 MONTEZUMA

POST OFFICE BOX 2068

SANTA FE, NEW MEXICO 87504-2068

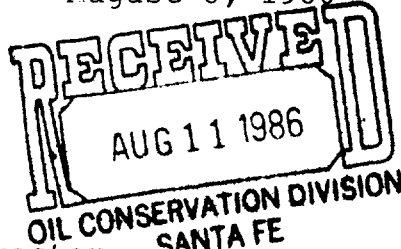
(505) 982-4554

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

1700 TEXAS AMERICAN BANK BUILDING
POST OFFICE BOX 12118
AMARILLO, TEXAS 79101
(806) 372-5569

700 UNITED BANK PLAZA
POST OFFICE BOX 10
ROSWELL, NEW MEXICO 88201
(505) 682-6510

August 8, 1986



746 9841

Mr. R. L. Stamets, Director
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87504

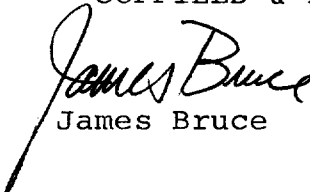
Re: OCD Case No. 8783 de novo
(Application for TXO for compulsory pooling)

Dear Mr. Stamets:

The order entered in the above case provided for a well to be commenced on or before July 1, 1986. We understand that TXO has requested an amendment of the order to permit the well to be commenced on or before October 7, 1986. Our client, Santa Fe Energy Company, has no objection to the extension of the order. However, Santa Fe Energy Company wishes to make it clear that they have joined in the subject well, have executed an operating agreement, and are not bound by the forced pooling order.

Very truly yours,

HINKLE, COX, EATON,
COFFIELD & HENSLEY


James Bruce

JGB:jr

cc: Patrick J. Tower
Chad Dickerson



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONY ANAYA
GOVERNOR

August 25, 1986

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

Mr. Chad Dickerson
Dickerson, Fisk & Vandiver
Attorneys at Law
Seventh and Mahone, Suite E
Artesia, New Mexico 88210

Re: CASE NO. 8783
ORDER NO. R-8136-B

Applicant:

TXO Production Corporation

Dear Sir:

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

Sincerely,

R. L. STAMETS
Director

RLS/fd

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD

Other James Bruce