

Called in by Bill Seltzer
5/2/86

May 28, 1986

Amerind Oil Company
oil

Unorthodox Well Location

Lea County

Wiser "B" State #1

810/N + 1650/E

29-165-37E

Strawn formation

Northeast Lovington-Pennsylvanian
Pool

W/2 NE/4

BILL SELTZER
507 PETROLEUM BUILDING
MIDLAND, TEXAS 79701

May 6, 1986

Re: Amerind Oil Co.
Application for Unorthodox
Well Location, Lea County,
New Mexico

TO OFFSET OWNERS

Case 8904

Gentlemen:

Enclosed please find a copy of Amerind Oil Co. Application
for Unorthodox Well Location, Lea County, New Mexico.

We have requested the Oil Conservation Division to set this
application on their May 28, 1986 docket for hearing.

If you have any questions, please call.

Yours very truly,


Bill Seltzer

BS/kp
Enclosure

cc: ✓ Ms. Florene Davidson
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Mr. J. Randy Turner, Attorney
P.O. Box 1540
Midland, Texas 79702

Mr. Robert C. Leibrock
Amerind Oil Co.
500 Wilco Building
Midland, Texas 79701

P 652 002 110

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

PS Form 3800, Feb. 1982

* U.S.G.P.O. 1983-403-517

Mr. Steve Soule	
Sedco Oil Co.	
Two Lincoln Centre	
5420 N. LBJ Freeway	
P.O. Box 1000/LB03	
Dallas, Texas 75240	
Postage	\$.39
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 1.84
Postmark or Date	5/6/86

CERTIFIED

P 652 002 110

MAIL

P 652 002 111

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Texaco, Inc.
P.O. Box 3109
Midland, Texas 79702
Attn: Stephen L. Chandler
P.O., State and Zip Code

Postage	\$.39
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 1.84

Postmark or Date

5/6/86

CERTIFIED

P 652 002 111

MAIL

PS Form 3800, Feb. 1982

* U.S.G.P.O. 1983-403-517

H.B. Yates Co.	
P.O. Box 1933	
P.O., State and Zip Code	
Roswell, N.M. 88201	
Postage	\$.39
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 1.84
Postmark or Date	5/6/86

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P 652 002 109

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P 652 002 109

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

PS Form 3800, Feb. 1982

* U.S.G.P.O. 1983-403-517

Sagad-Mon Oil Co.	
P.O. Box 2066	
Midland, Texas 79702	
Attn: Mr. R.L. Monaghan	
P.O., State and Zip Code	
Postage	\$.39
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 1.84
Postmark or Date	5/6/86

CERTIFIED

P 652 002 108

MAIL

P 652 002 108

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

P 652 002 107

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Mr. George L. Meleed, Jr.
Sgt. Gary W. Lauman
Wiser Oil Co.
State No. 540, One Allen Ctr.
500 Dallas Street
Houston, Texas 77002

PS Form 3800, Feb. 1982

* U.S.G.P.O. 1983-403-517

Postage	\$.39
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 1.84
Postmark or Date	5/6/86

CERTIFIED

P 652 002 107

MAIL

P 652 002 116

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sept. O. McCall
State No. One First City Ctr.
Midland, Texas 79701
P.O. State and ZIP Code

PS Form 3800, Feb. 1982

* U.S.G.P.O. 1983-403-517

Postage	\$.39
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 1.84
Postmark or Date	5/6/86

CERTIFIED

P 652 002 116

MAIL

P 652 002 118

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sept. B. Cone, Jr.
State and Box 10321
P.O. State and ZIP Code
Lubbock, Texas 79408

PS Form 3800, Feb. 1982

* U.S.G.P.O. 1983-403-517

Postage	\$.39
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 1.84
Postmark or Date	5/6/86

CERTIFIED

P 652 002 118

MAIL

PS Form 3800, Feb. 1982

* U.S.G.P.O. 1983-403-517

5/6/86

Postmark or Date

TOTAL Postage and Fees	\$ 1
Return receipt showing to whom, Date, and Address of Delivery	
Return Receipt Showing to whom and Date Delivered	
Restricted Delivery Fee	
Special Delivery Fee	
Certified Fee	
Postage	\$
P.O. State and ZIP Code	Dallas, Texas 75
State and Box	State and Box 340
Sept. OIL Co.	700 N. Pearl

(See Reverse)

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
RECEIPT FOR CERTIFIED

P 652 002 10

MAIL

CERTIFIED

P 652 002 105

P 652 002 115

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

SAUL F. Carleton	
Street and No. P.O. Box 10340	
P.O. State and ZIP Code Midland, Texas 79702	
Postage	\$.39
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 1.84
Postmark or Date	5/6/86

PS Form 3800, Feb. 1982

* U.S.G.P.O. 1983-403-517

CERTIFIED

P 652 002 115

MAIL

P 652 002 114

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Mr. Charlie Dickenson Sally's Service Co.	
Street and No. P.O. Box 1919	
P.O. State and ZIP Code Midland, Texas 79702	
Postage	\$.39
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 1.84
Postmark or Date	5/6/86

PS Form 3800, Feb. 1982

* U.S.G.P.O. 1983-403-517

CERTIFIED

P 652 002 114

MAIL

P 652 002 112

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Ms. Ellie Spear Rebel Oil Co.	
Street and No. 603 Seco Dr.	
P.O. State and ZIP Code Hobbs, New Mexico 88240	
Postage	\$.39
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 1.84
Postmark or Date	5/6/86

PS Form 3800, Feb. 1982

* U.S.G.P.O. 1983-403-517

CERTIFIED

P 652 002 112

MAIL

PS Form 3800, Feb. 1982

* U.S.G.P.O. 1983-403-517

Kastman Oil Co.	
Street and No. P.O. Box 5930	
P.O. State and ZIP Code Lubbock, Texas 794	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 1
Postmark or Date	5/6/86

CERTIFIED

P 652 002 117

MAIL

RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

BILL SELTZER
507 PETROLEUM BUILDING
MIDLAND, TEXAS 79701

May 6, 1986

Re: Amerind Oil Co.
Application for Unorthodox
Well Location, Lea County,
New Mexico

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

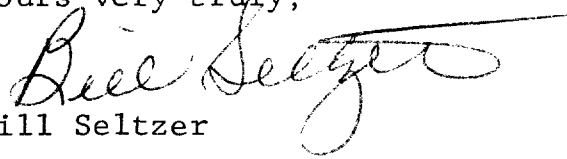
Case 8904

Dear Florene:

Enclosed please find a copy of my letter to each offset
owner pertaining to Amerind Oil Co. application for an
Unorthodox Well Location.

If you need additional information, please call.

Yours very truly,


Bill Seltzer

BS/kp

BILL SELTZER
507 PETROLEUM BUILDING
MIDLAND, TEXAS 79701

May 12, 1986

Re: Amerind Oil Co.
Application for Unorthodox
Well Location, Lea County,
New Mexico
Section 29: W/2 NE/4
T-16-S, R-37-E

Ms. Florene Davidson
Oil Conservation Division
P.O. Box 2088
Sante Fe, New Mexico 87501

Case 8904

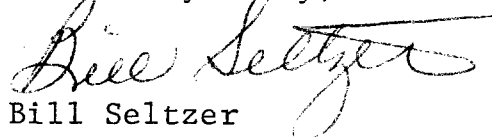
Dear Florene:

Enclosed please find an additional list of offset owners of a Reversionary Working Interest after payout of Amerind Oil Co.'s #1 Cal-Mon "29" State Well located in the E/2 NE/4 of Section 29, T-16-S, R-37-E, Lea County, New Mexico.

I forwarded to each of the listed parties by certified mail this date a copy of Amerind Oil Co.'s application for an unorthodox location pertaining to the above.

If you need additional information, please call.

Yours very truly,


Bill Seltzer

BS/kp

cc: Mr. Randy Turner
P.O. Box 1540
Midland, Texas 79702

Amerind Oil Co.
500 Wilco Building
Midland, Texas 79701

The following parties are the owners of a Reversionary Working Interest after payout of the Amerind Oil Co. #1 Cal-Mon "29" State located in the E/2 NE/4 of Section 29, T-16-S, R-37-E, Lea County, New Mexico.

Ernest Angelo, Jr.
410 N. Main
Midland, Texas 79701

J. H. Herd
P. O. Box 130
Midland, Texas 79702

Barnes Adelante Trusts No. 2
P. O. Box 505
Midland, Texas 79702

McCes, Inc.
P. O. Box 3580
Midland, Texas 79702

J. C. Barnes, Jr.
P. O. Box 673
Midland, Texas 79702

Laurie B. Barr
P. O. Box 198
Midland, Texas 79702

Steve C. Barnes
P. O. Box 505
Midland, Texas 79702

Claude F. Wynn
P. O. Box 6832
Houston, Texas 77265

V. Elaine Barnes
P. O. Box 505
Midland, Texas 79702

Shirley Ann Wynn
Suite 811
Preston State Bank Building
Dallas, Texas 75225

Viola S. Barnes
1400 S. Big Spring, Suite 28
Midland, Texas 79701

W. Forrest Wynn
Suite 811
Preston State Bank Building
Dallas, Texas 75225

Frank Kell Cahoon
P. O. Box 127
Midland, Texas 79702

J. M. Welborn
1500 Broadway
Suite 1212
Lubbock, Texas 79401

Joe S. Hill
P. O. Box 1568
Cedar Park, Texas 78613

Jack Markham
Suite 1212
1500 Broadway
Lubbock, Texas 79401

Hill Revocable Trusts
Kenneth Waltrip, Trustee
Patsy Sue Waltrip, Trustee
Dorothy Jean Keemon, Trustee
2610 Texas American Bank Building
500 Throckmorton
Fort Worth, Texas 76102

Robert C. Tucker
1408 W. Pecan Street
Midland, Texas 79701

Robert M. Davenport
P. O. Box 3511
Midland, Texas 79702

O'Brien-Goins Engineering
1140 Two First City Center
Midland, Texas 79701

Russell J. Ramsland
P. O. Drawer 10505
Midland, Texas 79702

J. H. Crouch, Jr.
P. O. Box 1082
Midland, Texas 79702

Jane Barnes Ramsland
P. O. Drawer 10505
Midland, Texas 79702

Christine Ray
P. O. Box 505
Midland, Texas 79702

Claudia R. Burch
P. O. Box 10505
Midland, Texas 79702

Conrad E. Coffield
P. O. Box 3580
Midland, Texas 79702

Russell J. Ramsland, Jr.
P. O. Drawer 10505
Midland, Texas 79702

C. D. Martin
P. O. Box 3341
Midland, Texas 79702

Joe R. Henderson
P. O. Box 2477
Midland, Texas 79702

Lewis C. Cox
P. O. Box 10
Roswell, New Mexico 88202

SDS Properties, Inc.
P. O. Box 10
Roswell, New Mexico 88202

Paul W. Eaton
P. O. Box 12118
Amarillo, Texas 79101

Paul J. Kelly
P. O. Drawer 2068
Santa Fe, New Mexico 87504

STUBBEMAN, MCRAE, SEALY, LAUGHLIN & BROWDER, INC.

ATTORNEYS AT LAW

MIDLAND, TEXAS

SUITE 800

TWO FIRST CITY CENTER • 79701

550 WEST TEXAS AVENUE

P. O. BOX 1540 • 79702

915/682-1616

TELECOPIER 915/682-4884

May 2, 1986

J. RANDY TURNER

AUSTIN, TEXAS

1800 AMERICAN BANK TOWER • 78701

221 WEST 6TH STREET

P. O. BOX 2286 • 78768

512/476-3502

TELECOPIER 512/476-5382

STUBBEMAN, MCRAE, SEALY,
LAUGHLIN & BROWDER

HOUSTON, TEXAS

REPUBLICBANK CENTER • 77002

700 LOUISIANA, SUITE 1700

P. O. BOX 61149 • 77208

713/237-1100

TELECOPIER 713/237-1234

RECEIVED

MAY 9 1986

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

OIL CONSERVATION DIVISION

Case 8904

Re: Amerind Oil Co. Application for Unorthodox Well Location,
Lea County, New Mexico

Dear Ms. Davidson:

Enclosed herewith you will find, executed in triplicate,
an Application for Unorthodox Well Location for W/2 NE/4 of
Section 29, Township 16 South, Range 37 East, N.M.P.M., Lea
County, New Mexico.

We request this be set on the May 28, 1986 docket for
hearing. If additional information is needed in order to com-
plete the filing for this case, please call.

Very truly yours,

STUBBEMAN, MCRAE, SEALY,
LAUGHLIN & BROWDER, INC.

By

J. Randy Turner
J. Randy Turner

JRT:ps

cc: Mr. Robert C. Leibrock
Amerind Oil Co.
500 Wilco Building
Midland, Texas 79701

Mr. Bill Seltzer
507 Petroleum Bldg.
Midland, Texas 79701

MONTGOMERY & ANDREWS
PROFESSIONAL ASSOCIATION
ATTORNEYS AND COUNSELORS AT LAW

OF COUNSEL
A. K. Montgomery

J. O. Seth (1883-1963)
Frank Andrews (1914-1981)

SANTA FE OFFICE
325 Paseo de Peralta
Post Office Box 2307
Santa Fe, New Mexico 87504-2307

Telephone (505) 982-3873
Telecopy (505) 982-4289

ALBUQUERQUE OFFICE
Suite 500
7 Broadway Place
707 Broadway, N.E.
Post Office Box 26927
Albuquerque, New Mexico 87125-6927

Telephone (505) 242-9677

LOS ALAMOS OFFICE
Suite 120
901 18th Street
Los Alamos, New Mexico 87544

Telephone (505) 662-0005

Seth D. Montgomery	Wesley B. Howard, Jr.
Victor R. Ortega	Michael H. Harbour
John E. Conway	Robert J. Mroz
Jeffrey R. Brannen	Sarah M. Singleton
John B. Pound	Charles W. N. Thompson, Jr.
Gary R. Kilpatrick	John M. Hickey
Thomas W. Olson	Mack E. With
William C. Madison	Galen M. Buller
Walter J. Melendres	Katherine A. Weeks
Bruce Herr	Edmund H. Kendrick
Michael W. Brennan	Helen C. Sturm
Robert P. Worcester	Richard L. Puglisi
James C. Compton	Arturo Rodriguez
John B. Draper	Joan M. Waters
Nancy M. Anderson	Terri A. Mazur
Alison K. Schuler	Stephen R. Kotz
Janet McL. McKay	Christine Gray
Jean-Nikole Wells	James C. Murphy
Mark F. Sheridan	James R. Jurgens
Joseph E. Earnest	Ann M. Maloney
Stephen S. Hamilton	Deborah J. Van Vleck
W. Perry Pearce	Anne B. Hemenway
Phyllis A. Dow	Roger L. Prucino
Stephen J. Rhoades	Kay E. Mares
Brad V. Coryell	

June 2, 1986

HAND-DELIVERED

REPLY TO SANTA FE OFFICE

Michael E. Stogner
Hearing Examiner
Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87502

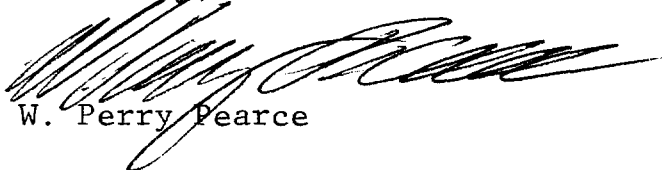
Re: Application of Amerind Oil Company for
Unorthodox Well Location, OCD Case No. 8904

Dear Mr. Stogner:

Enclosed please find a copy of the order being proposed
by Amerind Oil Company for entry in the above-referenced
cause which was heard at your examiner hearing on May 28, 1986.

I appreciate your prompt consideration of this matter.

Sincerely,



W. Perry Pearce

WPP:dml
Enclosure
9739-86-01

cc: James G. Bruce, Esq. (w/enclosure)
J. Randy Turner, Esq. (w/enclosure)
Robert C. Leibrock (w/enclosure)
Bill Seltzer (w/enclosure)

RECEIVED
JUN 2 1986
OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

Case No. 8904
Order No. R-

APPLICATION OF AMERIND OIL
COMPANY FOR AN UNORTHODOX
OIL WELL LOCATION, LEA
COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on May 28, 1986,
at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this ____ day of June, 1986, the Division Director,
having considered the testimony, the record, and the
recommendations of the Examiner, and being fully advised in the
premises,

FINDS:

(1) That due public notice having been given as required by
law, the Division has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Amerind Oil Company, seeks
authority to drill and produce an oil well at an unorthodox
location 810 feet from the North line and 1650 feet from the East

line of Section 29, Township 16S, Range 37E, Northeast Lovington-Pennsylvanian Pool, NMPM, Lea County, New Mexico.

(3) That the proposed spacing unit for this well would be the West half of the Northeast quarter of Section 29.

(4) That at the hearing of this matter several parties owning interests in the offsetting well located in the East half of the Northeast quarter of Section 29 appeared and objected to the granting of this application in the absence of a production limitation factor to guard against drainage.

(5) That engineers and geologists for the parties disagreed as to the productive acreage underlying the spacing unit for the proposed well and also disagreed as to the productive acreage underlying the spacing unit for the offset well.

(6) That there is inadequate well data to establish the limits of the productive acreage underlying these spacing units.

(7) That the Division records indicate that in cases in which there is inadequate geological and/or engineering evidence presented at hearing upon which to base a definite penalty, the Division utilizes a penalty formula which takes into account the percentage variation of the proposed location from the nearest standard location and the theoretical net additional drainage off of the assigned proration unit resulting from the unorthodox location.

(8) That the well proposed by the applicant in this matter is located 180 feet (35%) closer to the East line of the spacing unit and is a standard location in a North-South direction.

(9) That based upon a theoretical 80-acre drainage area, a well at the proposed unorthodox location would have a net increased drainage area outside of the dedicated 80-acre tract of 8.6 acres more than a well at the closest standard location.

(10) That 8.6 acres is 10.75 percent of 80 acres and represents the theoretical drainage acreage advantage gained over offset operators as a result of the unorthodox location.

(11) The factors representing the advantage gained as a result of the unorthodox location may be summarized and averaged as follows: 0% North-South footage advantage factor, plus 35% East-West footage advantage factor, plus 10.75% acreage advantage factor divided by three (3) yields an average advantage factor of 15.25%.

(12) That therefore a production limitation factor of 84.75% should be applied to the depth bracket allowable applicable to this well.

(13) That approval of the application subject to the above-production limitation factor will afford the applicant the opportunity to produce its just and equitable share of the oil in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, will avoid the augmentation of risk arising from the drilling of an excessive number of wells, will offset any advantage which a well at the proposed location would gain over offsetting producers by reason of the unorthodox location, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The application of Amerind Oil Company for an unorthodox oil well location in the Northeast Lovington-Pennsylvanian Pool is hereby approved, at a point 810 feet from the North line and 1650 feet from the East line of Section 29, Township 16S, Range 37E, NMPM, Lea County, New Mexico.

(2) That the West half of the Northeast quarter of Section 29 shall be dedicated to the above-described well.

(3) That the above-described well shall be subject to a production limitation factor of 84.75% which shall be applied to the depth bracket allowable provided for in Division Rule 505.

(4) 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

RICHARD L. STAMETS, Director

15,193;10

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. OLSON
RICHARD A. SIMMS
DEBORAH NORWOOD*
RICHARD R. WILFONG*
STEVEN D. ARNOLD
JAMES J. WECHSLER
NANCY S. CUSACK
JEFFREY L. FORNACIARI
JEFFREY D. HEWETT*

JAMES BRUCE
JERRY F. SHACKELFORD*
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*
BRUCE R. ROGOFF
JAMES M. HUDSON
MACDONNELL GORDON
REBECCA J. NICHOLS
PAUL R. NEWTON
WILLIAM R. JOHNSON*

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) 622-6510

June 2, 1986

OF COUNSEL
ROY C. SNODGRASS, JR.
O. M. CALHOUN
MACK EASLEY
JOE W. WOOD

CLARENCE E. HINKLE (1901-1986)
W. E. BONDURANT, JR. (1913-1973)
ROBERT A. STONE (1905-1981)

*NOT LICENSED IN NEW MEXICO

RECEIVED

JUN 2 1986

OIL CONSERVATION DIVISION

Mr. Michael Stogner
Hearing Examiner
New Mexico Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87503

HAND DELIVERED

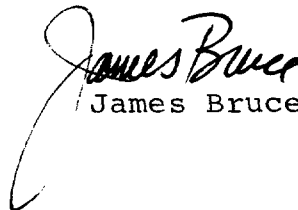
Re: OCD Case No. 8904, Application of
Amerind Oil Company for an unorthodox
well location.

Dear Mr. Stogner:

Enclosed is the proposed order of Ernest Angelo, Jr., et al.
in the above matter.

Very truly yours,

HINKLE, COX, EATON,
COFFIELD & HENSLEY


James Bruce

JGB:jr
Enclosure

cc: W. Perry Pearce w/enc.



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

June 13, 1986

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Mr. W. Perry Pearce
Montgomery & Andrews
Attorneys at Law
P. O. Box 2307
Santa Fe, New Mexico 87504

Re: CASE NO. 3904
ORDER NO. R-8239

Applicant:

Amerind Oil Company

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