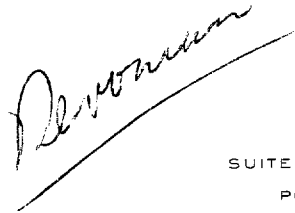


CAMPBELL & BLACK, P.A.
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February 25, 1991

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

FEB 25 1991

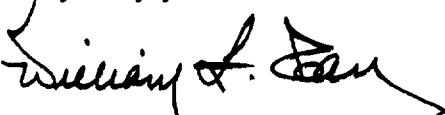
OIL CONSERVATION DIV.
SANTA FE

Re: In the Matter of the Application of Stevens Operating Corporation for
Directional Drilling and an Unorthodox Well Location, Chaves County, New
Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the Application of Stevens Operating Corporation in the above-referenced case. Stevens Operating Corporation respectfully requests that this matter be placed on the docket for the March 21, 1991 Examiner hearings.

Very truly yours,



WILLIAM F. CARR

WFC:mlh

Enclosures

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

10271

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

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

CASE NO. 10271

IN THE MATTER OF THE APPLICATION OF
STEVENS OPERATING CORPORATION FOR
DIRECTIONAL DRILLING AND AN UNORTHODOX
BOTTOMHOLE OIL WELL LOCATION,
CHAVES COUNTY, NEW MEXICO.

RECEIVED

MAY 1 1991

OIL CONSERVATION DIVISION

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by William F. Carr, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Stevens Operating Corporation____
c/o Don Stevens_____
Post Office Box 2408_____
Roswell, New Mexico 88201_____
(505) 622-7273_____

ATTORNEY

William F. Carr_____
Campbell & Black, P.A._____
Post Office Box 2208_____
Santa Fe, New Mexico 87504_____
(505) 988-4421_____

OPPOSITION OR OTHER PARTY

Telephone: _____

ATTORNEY

Telephone: _____

name, address, phone and
contact person

STATEMENT OF CASE

APPLICANT

Stevens Operating Corporation, applicant, seeks authority to reenter the plugged and abandoned Intex Oil Company Gulf State No. 1 located 660 feet from the North and East lines (Unit A) of Section 11, Township 13 South, Range 28 East, and directionally drill from the existing wellbore in such a manner as to bottom the deviated well in the Devonian formation at an unorthodox bottomhole oil well location within a target area described as a rectangle 130 to 530 feet from the North line and from 1400 to 1800 feet from the East line of said Section 11, the NW/4 NE/4 of said Section 11 to be dedicated to said well forming a standard 40-acre oil spacing and proration unit.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

PROPOSED EVIDENCE

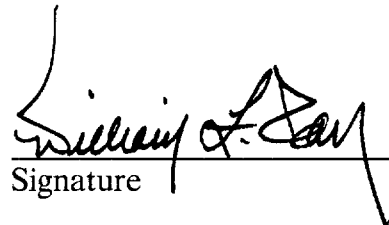
APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Jack Ahlen, Geologist	20 Min.	Approximately 7

OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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PROCEDURAL MATTERS



Signature

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

April 2, 1991

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

RE: CASE NO. 10268 and CASE NO. 10271
ORDER NO. R-9147-C and ORDER NO. R-9486

Dear Sir:

Enclosed herewith are four copies of the above-referenced Division orders recently entered in the subject cases.

Sincerely,

Florene Davidson

Florene Davidson
OC Staff Specialist

FD/sl

cc: BLM Carlsbad Office
BLM Roswell Office