



Chevron U.S.A. Production Company

P.O. Box 1150, Midland, TX 79702 • Phone (915) 687-7957
Fax (915) 687-7961

M. Reed Gilmore
Attorney
Law Department

February 15, 1994

VIA FACSIMILE
(505) 983-6043

Mr. William F. Carr
Campbell, Carr, Berge & Sheridan
P. O. Box 2208
Santa Fe, New Mexico 87504-2208

Re: OCD Case No. 10541 (Reopened)
Division Order No. R-9773-A
East Herradura Bend - Delaware Pool
Eddy County, New Mexico

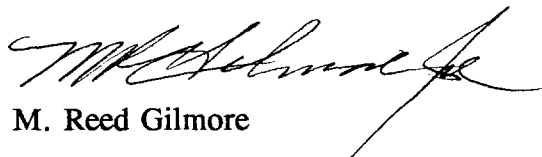
Dear Bill:

In reference to the captioned case to be heard at the Examiner Hearing on February 17, 1994, Chevron will support the adoption of the existing temporary pool rules as permanent rules for the field. Therefore, I request that you, on behalf of Chevron, please read the following statement into the Examiner's record.

Mr. Examiner, Chevron U.S.A. Production Company, pursuant to its current drilling program for the East Herradura Bend - Delaware Field, has completed four wells, is currently drilling one well, and has staked seven wells, all in Section 1, Township 23 South, Range 28 East, Eddy County, New Mexico, which lies on the southern margin of the East Herradura Bend - Delaware Field. The economics of this drilling program were developed based upon a continuation of the current temporary GOR allowable of 10,000 to 1. The negative economic impact of a substantially lower GOR would jeopardize continuation of this drilling program. Therefore, Chevron requests that the OCD adopt the existing temporary pool rules as permanent rules for the field.

We appreciate your representation of Chevron in this matter. Should you have any questions or need additional information for the benefit of the Examiner, please let me know.

Very truly yours,



M. Reed Gilmore

MRG:yj
cc: D. J. Rittersbacher



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



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

February 1, 1994

Bird Creek Resources, Inc.
Box 21470
Tulsa, Oklahoma 74121

Gentlemen:

In accordance with the provisions of Division Order No. R-9773-A entered on July 15, 1993, the Oil Conservation Division is reopening Case No. 10541 in order to give all operators in the East Herradura Bend-Delaware Pool in Eddy County, New Mexico, the opportunity to appear and present evidence and testimony to show cause why the special limiting gas-oil ratio for said East Herradura Bend-Delaware Pool should remain in effect.

This case will be heard before an examiner on February 17, 1994, in Morgan Hall, State Land Office Building, Santa Fe, New Mexico, at 8:15 a.m. A copy of the advertisement for this hearing is enclosed.

Sincerely,

Florene Davidson

Florene Davidson
OC Staff Specialist

enc.



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



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February 1, 1994

Fortson Oil Company
301 Commerce St., Suite 301
Fort Worth, Texas 76102

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Sincerely,

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Florene Davidson
OC Staff Specialist

enc.



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ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
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SANTA FE, NEW MEXICO 87504
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February 1, 1994

Hanley Petroleum, Inc.
415 W. Wall, Suite 1500
Midland, Texas 79704

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Florene Davidson
OC Staff Specialist

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

February 1, 1994

Harvey E. Yates Company
P. O. Box 1933
Roswell, New Mexico 88202

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Florene Davidson
OC Staff Specialist

enc.



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ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



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

February 1, 1994

Ray Westall
Box 4
Loco Hills, New Mexico 88255

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Florene Davidson
OC Staff Specialist

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SANTA FE, NEW MEXICO 87504
(505) 827-5800

February 1, 1994

Santa Fe Energy Operating Partners, L.P.
500 W. Illinois
Midland, Texas 79701

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Florene Davidson
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ANITA LOCKWOOD
CABINET SECRETARY

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

August 10, 1993


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

RE: CASE NO. 10541
ORDER NO. R-9773-A

Dear Sir:

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

Sincerely,


Sally Leightle
Administrative Secretary

cc: BLM Carlsbad Office
Donna McDonald - OCD
Alvin Tapia - OCD
Tom Kellahin
James Bruce