

20	W.W. Adams, Est. MI R.T. L. Hartley (S)	W.E. W. Jas. T. W. (S)	J.N. McGraw (S) Coffey Seed Co.	Tr. 16 Tr. 17 Tr. 18 Tr. 19 Tr. 20 Tr. 21 Tr. 22 Tr. 23 Tr. 24 Tr. 25 Tr. 26 Tr. 27 Tr. 28 Tr. 29 Tr. 30 Tr. 31 Tr. 32 Tr. 33 Tr. 34 Tr. 35 Tr. 36 Tr. 37 Tr. 38 Tr. 39 Tr. 40 Tr. 41 Tr. 42 Tr. 43 Tr. 44 Tr. 45 Tr. 46 Tr. 47 Tr. 48 Tr. 49 Tr. 50 Tr. 51 Tr. 52 Tr. 53 Tr. 54 Tr. 55 Tr. 56 Tr. 57 Tr. 58 Tr. 59 Tr. 60 Tr. 61 Tr. 62 Tr. 63 Tr. 64 Tr. 65 Tr. 66 Tr. 67 Tr. 68 Tr. 69 Tr. 70 Tr. 71 Tr. 72 Tr. 73 Tr. 74 Tr. 75 Tr. 76 Tr. 77 Tr. 78 Tr. 79 Tr. 80 Tr. 81 Tr. 82 Tr. 83 Tr. 84 Tr. 85 Tr. 86 Tr. 87 Tr. 88 Tr. 89 Tr. 90 Tr. 91 Tr. 92 Tr. 93 Tr. 94 Tr. 95 Tr. 96 Tr. 97 Tr. 98 Tr. 99 Tr. 100	20	W.W. Adams, Est. MI R.T. L. Hartley (S)	W.E. W. Jas. T. W. (S)	J.N. McGraw (S) Coffey Seed Co.	Tr. 16 Tr. 17 Tr. 18 Tr. 19 Tr. 20 Tr. 21 Tr. 22 Tr. 23 Tr. 24 Tr. 25 Tr. 26 Tr. 27 Tr. 28 Tr. 29 Tr. 30 Tr. 31 Tr. 32 Tr. 33 Tr. 34 Tr. 35 Tr. 36 Tr. 37 Tr. 38 Tr. 39 Tr. 40 Tr. 41 Tr. 42 Tr. 43 Tr. 44 Tr. 45 Tr. 46 Tr. 47 Tr. 48 Tr. 49 Tr. 50 Tr. 51 Tr. 52 Tr. 53 Tr. 54 Tr. 55 Tr. 56 Tr. 57 Tr. 58 Tr. 59 Tr. 60 Tr. 61 Tr. 62 Tr. 63 Tr. 64 Tr. 65 Tr. 66 Tr. 67 Tr. 68 Tr. 69 Tr. 70 Tr. 71 Tr. 72 Tr. 73 Tr. 74 Tr. 75 Tr. 76 Tr. 77 Tr. 78 Tr. 79 Tr. 80 Tr. 81 Tr. 82 Tr. 83 Tr. 84 Tr. 85 Tr. 86 Tr. 87 Tr. 88 Tr. 89 Tr. 90 Tr. 91 Tr. 92 Tr. 93 Tr. 94 Tr. 95 Tr. 96 Tr. 97 Tr. 98 Tr. 99 Tr. 100	20	W.W. Adams, Est. MI R.T. L. Hartley (S)	W.E. W. Jas. T. W. (S)	J.N. McGraw (S) Coffey Seed Co.	Tr. 16 Tr. 17 Tr. 18 Tr. 19 Tr. 20 Tr. 21 Tr. 22 Tr. 23 Tr. 24 Tr. 25 Tr. 26 Tr. 27 Tr. 28 Tr. 29 Tr. 30 Tr. 31 Tr. 32 Tr. 33 Tr. 34 Tr. 35 Tr. 36 Tr. 37 Tr. 38 Tr. 39 Tr. 40 Tr. 41 Tr. 42 Tr. 43 Tr. 44 Tr. 45 Tr. 46 Tr. 47 Tr. 48 Tr. 49 Tr. 50 Tr. 51 Tr. 52 Tr. 53 Tr. 54 Tr. 55 Tr. 56 Tr. 57 Tr. 58 Tr. 59 Tr. 60 Tr. 61 Tr. 62 Tr. 63 Tr. 64 Tr. 65 Tr. 66 Tr. 67 Tr. 68 Tr. 69 Tr. 70 Tr. 71 Tr. 72 Tr. 73 Tr. 74 Tr. 75 Tr. 76 Tr. 77 Tr. 78 Tr. 79 Tr. 80 Tr. 81 Tr. 82 Tr. 83 Tr. 84 Tr. 85 Tr. 86 Tr. 87 Tr. 88 Tr. 89 Tr. 90 Tr. 91 Tr. 92 Tr. 93 Tr. 94 Tr. 95 Tr. 96 Tr. 97 Tr. 98 Tr. 99 Tr. 100
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33                    BPFACIOR                    13.46.11                    11/03/80

PROCEDURE NAMES                    DEFN                    REFERENCE

BEGIN	000304			
HOUSEKEEPING	000309			
PROGRAM-CONTROL	000310			
READ-FACT-FILE	000317	000325	000326	000367    000381
CONTINUE	000327	000326		
DO-AXD	000335	000332	000333	
DO-BPFACIOR	000339	000336	000337	
DO-DIFF	000343	000341		
DO-BP	000347	000345		
TEST-UPDATE	000360			
PRINT-OUT	000368			
END-PRINT	000382			
CLOSE-OUT	000383	000318		
CL-RTN	000384	000308	000320	000364

COUNTY LeaPOOL Denton-DevonianTOWNSHIP 15 SouthRANGE 37 East

NMFM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Description: All Sec. 11; 12; 13 & 14 (850, 12-9-49)

Ext. All Sec. 1; 2; 3; 10; 15;  $\frac{1}{2}$  Sec. 22;  $\frac{N}{2}$  Sec. 23;  $\frac{N}{2}$  Sec. 24 (R-74-A-6-22-51)

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.  
LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS  
MICHAEL H. FELDEWERT  
DAVID B. LAWRENZ  
TANYA M. TRUJILLO

JACK M. CAMPBELL  
OF COUNSEL

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

November 9, 1993

**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

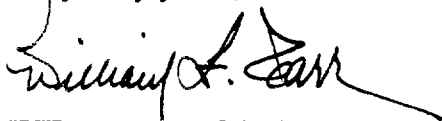
10578

Re: Application of Kinlaw Oil Corporation for a Horizontal Directional Drilling  
Pilot Project Area and Special Operating Rules Therefor, Lea County, New  
Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the Application of Kinlaw Oil Corporation in the above-referenced case as well as a copy of a legal advertisement. Kinlaw Oil Corporation respectfully requests that this matter be placed on the docket for the December 2, 1993 Examiner hearings.

Very truly yours,



WILLIAM F. CARR

WFC:mlh  
Enclosures

cc: Mr. Mike Hill (w/enclosures)  
Kinlaw Oil Corporation  
3301 Northland, Suite 102  
Austin, TX 78731

CASE 10878 :

Application of Kinlaw Oil Corporation for a horizontal directional drilling project area and special operating rules therefor, Lea County, New Mexico. Applicant in the above-styled cause, seeks authority to institute a horizontal directional drilling project in the Devonian formation, South Crossroads-Devonian Pool, underlying the N/2 N/2, SW/4 NW/4 and SW/4 NE/4 of Section 2, Township 15 South, Range 7 East. Applicant proposes to reenter existing wells in the project area, kick-off from vertical in a direction to be determined while drilling and build angle at an appropriate rate to vertically and horizontally traverse the proposed project area. Applicant further seeks the adoption of special operating provisions and rules within the project area including the designation of a target window such that the horizontal or producing portion of any wellbore shall be no closer than 100 feet to any boundary of the project area; for special project allowables; and an administrative procedure for approval of additional horizontal wellbores in the project area. Said project area is located approximately \_\_\_\_ miles \_\_\_\_ of \_\_\_\_\_, New Mexico.

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.  
LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
WILLIAM P. SLATTERY

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JACK M. CAMPBELL  
OF COUNSEL

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

November 22, 1993

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

2

Re: Case 10878:  
Application of Kinlaw Oil Corporation for Horizontal Drilling Pilot Project in  
the Devonian formation, South Crossroads-Devonian Pool, Lea County, New  
Mexico

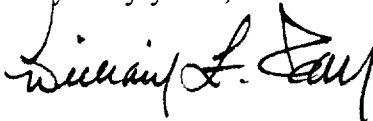
Dear Mr. LeMay:

Collins & Ware, Inc. is an offset operator to the project area which is the subject of the above-referenced case and has expressed concern about the request of Kinlaw to drill horizontal wells as close as 100 feet from the outer boundary of the proposed project area.

The purpose of this letter is to advise the Division that Kinlaw Oil Corporation will amend its request for special operating rules for this project area to provide that wells will be drilled no closer than 330 feet from the outer boundary of the designated project area. Furthermore, Kinlaw will request that its application be amended in this fashion at the December 2, 1993 Examiner hearing in this case.

Your attention to this matter is appreciated.

Very truly yours,



WILLIAM F. CARR

WFC:mlh

cc: Mr. Mike Hill  
Mr. Jim Orseth

**KELLAHIN AND KELLAHIN**

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

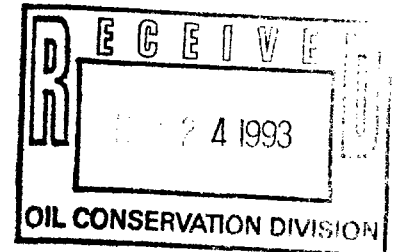
SANTA FE, NEW MEXICO 87504-2265

W. THOMAS KELLAHIN\*

\*NEW MEXICO BOARD OF LEGAL SPECIALIZATION  
RECOGNIZED SPECIALIST IN THE AREA OF  
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

TELEPHONE (505) 982-4285  
TELEFAX (505) 982-2047



November 24, 1993

HAND DELIVERED

William J. LeMay  
Oil Conservation Division  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87504

Re: NMOCD Case 10878  
Application of Kinlaw Oil Corporation  
for Horizontal Directional Drilling  
Lea County, New Mexico

Dear Mr. LeMay:

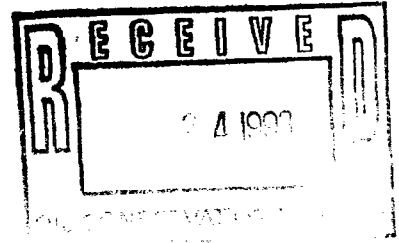
On behalf of Pennzoil Exploration and Production  
Company, please find enclosed our Entry of Appearance in  
the referenced case.

Very truly yours,

W. Thomas Kellahin

cc: Greg Davis  
Pennzoil Exploration and Production Company

cc: William F. Carr, Esq.  
Attorney for Kinlaw



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

IN THE MATTER OF THE APPLICATION  
OF KINLAW OIL CORPORATION FOR A  
HORIZONTAL DIRECTIONAL DRILLING  
PILOT PROJECT,  
LEA COUNTY, NEW MEXICO

CASE NO. 10878

ENTRY OF APPEARANCE

Comes now Pennzoil Exploration and Production Company, by its attorneys, Kellahin and Kellahin, and enters its appearance in this case.

A handwritten signature in black ink, appearing to read "W. Thomas Kellahin".

W. Thomas Kellahin  
Kellahin & Kellahin  
P. O. Box 2265  
Santa Fe, New Mexico 87504  
(505) 982-4285

CERTIFICATE OF SERVICE

The undersign certifies that on November 24, 1993, a copy of the foregoing pleading was mailed by regular mail to William F. Carr, Esq, attorney for Kinlaw Oil Corporation.

A handwritten signature in black ink, appearing to read "W. Thomas Kellahin".



CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.  
LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS  
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TANYA M. TRUJILLO

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OF COUNSEL

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

November 24, 1993

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: Oil Conservation Division Case No. 10878:  
Applicant seeks to initiate a horizontal directional drilling pilot project in the Devonian formation, South Crossroads-Devonian Pool, underlying the N/2 N/2, SW/4 NW/4 and SW/4 NE/4 of Section 2, Township 15 South, Range 37 East.

Dear Mr. LeMay:

Kinlaw Oil Corporation respectfully requests that this matter which is currently set on the Division docket for the December 2, 1993 hearings be continued to the December 16, 1993 Examiner docket.

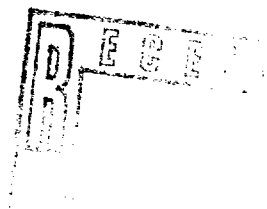
Your attention to this matter is appreciated.

Very truly yours,



WILLIAM F. CARR  
WFC:mlh

cc: Mike Hill  
Kinlaw Oil Corporation  
3301 Northland, Suite 102  
Austin, TX 78731



**POLARIS PRODUCTION CORP.**

*OIL & GAS PRODUCERS*

415 WEST WALL STREET, SUITE 2010  
MIDLAND, TEXAS 79702

DAVIS PAYNE  
PRESIDENT

November 24, 1993

TELEPHONE 915-684-8248  
REPLY TO: P. O. BOX 1749

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

Re: Case 10878:  
Application of Kinlaw Oil Corporation for Horizontal Drilling  
Pilot Project in the Devonian formation, Denton Devonian Pool,  
Lea County, New Mexico

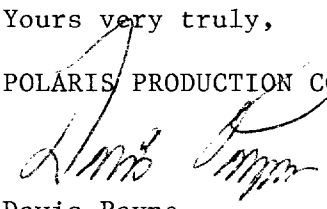
Dear Mr. LaMay:

We as an offset operator to the area in the Referenced Case acknowledge that the limits on distance to the outer boundaries has been amended to read "no closer than 330 feet from the outer boundary of the designated project area". This amendment was stated in a letter to you from the Law Firm of Campbell, Carr, Berge & Sherman, P. A., signed by William F. Carr and dated November 22, 1993, and a copy is enclosed for your information. It is our understanding that this amendment would be incorporated into their proceedings at the hearing scheduled for December 2, 1993. If this be the case, we would have no objection to this application be approved. If this is not the case, please let us know so that we can respond at the hearing.

Thank you for your cooperation.

Yours very truly,

POLARIS PRODUCTION CORP.

  
Davis Payne

DP/d  
Encl

SENT BY: Xerox Telecopier 7021 ; 11-23-93 ; 8:19AM ;

8857820+

;# 2

**CAMPBELL, CARR, SERGE  
& SHERIDAN, P.A.  
LAWYERS**

MICHAEL S. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. SERGE  
MARK P. SHERIDAN  
WILLIAM A. SLATTERY

PATRICIA A. MATTHEWS  
MICHAEL H. FLEISCHMAN  
DAVID B. LAWRENCE  
TANYA M. TRUJILLO

JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLAZA  
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POST OFFICE BOX 8208  
SANTA FE, NEW MEXICO 87504-8208  
TELEPHONE: (505) 834-4441  
TELESCOPIER: (505) 833-8043

November 22, 1993

**HAND-DELIVERED**

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

Re: Case 10878:

Application of Kinlaw Oil Corporation for Horizontal Drilling Pilot Project in  
the Devonian formation, South Crossroads-Devonian Pool, Lea County, New  
Mexico

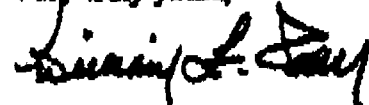
Dear Mr. LaMay:

Collins & Ware, Inc. is an offset operator to the project area which is the subject of the above-referenced case and has expressed concern about the request of Kinlaw to drill horizontal wells as close as 100 feet from the outer boundary of the proposed project area.

The purpose of this letter is to advise the Division that Kinlaw Oil Corporation will amend its request for special operating rules for this project area to provide that wells will be drilled no closer than 330 feet from the outer boundary of the designated project area. Furthermore, Kinlaw will request that its application be amended in this fashion at the December 2, 1993 Examiner hearing in this case.

Your attention to this matter is appreciated.

Very truly yours,



WILLIAM F. CARR  
WFC:mjh

cc: Mr. Mike Hill  
Mr. Jim Orzech



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

December 29, 1993

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

RE: CASE NO. 10878  
ORDER NO. R-10044

Dear Sir:

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

Sincerely,

*Sally Martinez*  
Sally E. Martinez  
Administrative Secretary

cc: BLM Carlsbad Office  
Tom Kellahin