

BETTIS BROTHERS, INC.

ONE FIRST CITY CENTER
500 WEST TEXAS, SUITE 830
MIDLAND, TEXAS 79701
915/685-4128
Fax# 915/685-0198

May 15, 1989

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

BEFORE EXAMINER CATANACH	
OIL CONSERVATION DIVISION	
<u>BETTIS BROS.</u>	<u>EXHIBIT NO. 7</u>
<u>CASE NO. 9758</u>	

Terra Resources, Inc.
5614 S. Yale, Suite 400
Tulsa, Oklahoma 74135

Collins & Ware
P. O. Box 27
Midland, Texas 79702

J. M. Huber Corp.
2000 W. Loop South
Houston, Texas 77027
Attn: Mr. H. L. Curtis

Coquina Oil Corporation
Box 27725
1717 St. James Place, Suite 200
Houston, Texas 77227-7725
Attn: Mr. Michael Englert

✓ Exxon Corporation
P. O. Box 1600
Midland, Texas 79702
Attn: Mr. Joe Thomas

Oxtex, Inc.
Box 27725
1717 St. James Place, Suite 200
Houston, Texas 77227-7725

Gentlemen:

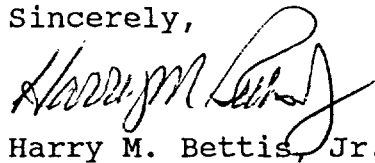
Bettis Brothers, Inc., and Exxon Company, U.S.A. desire to form a working interest unit consisting of the E/2 of Section 17 and the W/2 of Section 16, T-23-S, R-26-E, Eddy County, New Mexico. At present we have an active well located 1980' FEL and 660' FSL in Section 16, resulting in a S/2 proration unit in Section 16. In order to establish the above described working interest unit, the proration unit for the producing well in Section 16, T-23-S, R-26-E, must be changed to an E/2 proration unit, resulting in an unorthodox location for the existing well.

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Page 2
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convenience. If we do not receive your reply within ten (10) days of your receipt of this letter, it will be understood that you have no objections to our request.

Sincerely,



Harry M. Bettis, Jr.

HMBJr/kl
Enclosure

Company: Elton Longman USA
By: Joe B. Thorne
Date: 5/18/89

BETTIS BROTHERS, INC.

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Houston, Texas 77027
Attn: Mr. H. L. Curtis

Exxon Corporation
P. O. Box 1600
Midland, Texas 79702
Attn: Mr. Joe Thomas

Collins & Ware
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Attn: Mr. Michael Englert

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Houston, Texas 77227-7725

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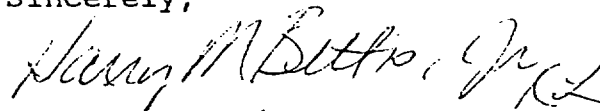
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*PACIFIC ENTERPRISES OIL COMPANY (USA)
Successor by Merger to
Company: Terra Resources, Inc.

By: 

John E. Lodge

Date: May 25, 1989

- * Pacific Enterprises Oil Company (USA) hereby agrees not to object to the granting of a special permit in order to amend your proration unit to the E/2 of Section 16 as stated above, provided that Bettis Brothers, Inc. and Exxon Company, USA agree not to object to an unorthodox location that may be proposed in either Section 15 or 21 of Township 23 South, Range 26 East, Eddy County, New Mexico. If you are in agreement with same, please sign below and return a copy of this letter to Pacific Enterprises Oil Company (USA), 10 Desta Drive, Suite 500 West, Midland, Texas 79705 ATTN: John E. Lodge.

BETTIS BROTHERS, INC.

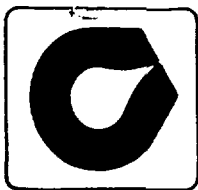
By: 

Date: 6/6/89

EXXON COMPANY, USA

By: 

Date: 6/21/89



COQUINA OIL CORPORATION

1717 ST. JAMES PLACE • SUITE 200 (77056-3099) • P.O. BOX 27725 • HOUSTON, TEXAS 77227-7725
(713) 961-1770 • FAX 961-7220, 961-7216

May 30, 1989

Bettis Brothers Inc.
One First City Center
500 West Texas, suite 830
Midland, Texas 79701

Attn: Harry M. Bettis, Jr.

RE: State 16-1 Well
Section 16, T-23-S, 12-2b-W
Spacing Exception
Eddy County, New Mexico

Dear Mr. Bettis:


Coquina Oil Corporation and OXTEX, Inc. (now Hawthorne Oil and Gas Company) have reviewed your proposal to revise the proration unit for the referenced well and, as an offset operator to this lease, have no objection to the granting of this special permit.

Enclosed please find signed copies of your letter dated May 15, 1989 for the interest of Coquina and Hawthorne.

We wish you good luck on your proposed venture with Exxon.

Very truly yours,

COQUINA OIL CORPORATION


Carlye Edwards
Production Engineer

CE/cw

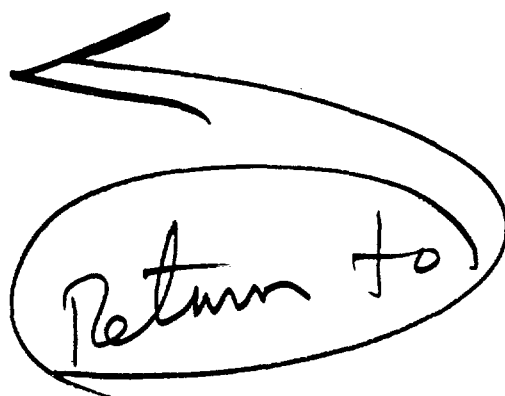
enclosures

cc: M W. Englert

BETTIS BROTHERS, INC.

ONE FIRST CITY CENTER
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Attn: Mr. H. L. Curtis

Coquina Oil Corporation
Box 27725
1717 St. James Place, Suite 200
Houston, Texas 77227-7725
Attn: Mr. Michael Englert

Exxon Corporation
P. O. Box 1600
Midland, Texas 79702
Attn: Mr. Joe Thomas

Oxtex, Inc.
Box 27725
1717 St. James Place, Suite 200
Houston, Texas 77227-7725

Gentlemen:

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Sincerely,

Harry M. Bettis, Jr.

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HMBJr/kl
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Company: *Cogumia Oil Corporation*

By: *Cayle Edwards*

Date: *5/26/89*

BETTIS BROTHERS, INC.

ONE FIRST CITY CENTER
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Return to

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~~Exxon~~ *Handshore Oil & Gas Corp*
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Harry M. Bettis, Jr.

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Company:

Hawthorne Oil & Gas Corporation

By:

Constance Edwards

Date:

5/26/89

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Harry M. Bettis, Jr.
Harry M. Bettis, Jr.

HMBJr/kl
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Company: COLLINS & WARE, INC.

By: Ed Collins Jr., PRES.

Date: 5/17/89

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RECEIVED
J. M. HUBER CORPORATION

MAY 22 1989

MID-CONTINENT DISTRICT
AMARILLO OFFICE

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Sincerely,

Harry M. Bettis, Jr. K2

Harry M. Bettis, Jr.

HMBJr/kl
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Company: J. M. Huber Corporation

By: *Robert R. Glenn*
Robert R. Glenn - Dist. Prod. Mgr.

Date: May 30, 1989

J. M. Huber Corporation does not object to Bettis Brothers, Inc.'s request to change the proration unit in Section 16, T-23-S, R-26-E.