



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

May 30, 1990

GARREY CARRUTHERS
GOVERNOR

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

Mr. Harry T. Nutter
Gallegos Law Firm
141 East Palace Avenue
Santa Fe, New Mexico 87501

Re: Doyle Hartman Application

Dear Mr. Nutter:

The Oil Conservation Division has received your application on behalf of Doyle Hartman for the approval of rededication of acreage, non-standard proration units and compulsory pooling, Eumont Gas Pool, Lea County, New Mexico. Applications of this nature are normally docketed before a hearing examiner for original hearing with the right of de novo before the Oil Conservation Commission. Only in extraordinary situations are cases docketed directly before the Commission. This is not such a case and your application will be docketed for examiner hearing on June 27, 1990.

With respect to your request that overriding royalty interests be compelled to bear a portion of development costs, please be prepared to thoroughly address the legal authority of the Commission to require contribution of cost to the development of a proration unit by overriding royalty interest owners. Before the Division can grant such extraordinary relief, I must be assured that there authority for such action.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert G. Stovall".

ROBERT G. STOVALL,
General Counsel

RGS/dr

GALLEGOS LAW FIRM

A Professional Corporation

141 East Palace Avenue
Santa Fe, New Mexico 87501
505 • 983 • 6686
Telefax No. 505 • 986 • 0741

Our File No. 90-1.34

June 1, 1990

J. E. Gallegos
George F. Bingham*
Michael L. Oja**
Joanne Reuter
Mary E. Walta †
Harry T. Nutter
Mary Ann R. Burmester***

VIA HAND DELIVERY

William J. LeMay, Director
Oil Conservation Division
Energy, Minerals & Natural Resources Department
State Land Office Building
Old Santa Fe Trail
Santa Fe, New Mexico 87504

9994

SANTA FE
OIL CONSERVATION DIV.

JUN 7 0 1990

RECEIVED

RE: Application of Doyle Hartman for a 160-acre, or alternatively a 120-acre, non-standard Eumont gas proration unit, Lea County, New Mexico

Dear Mr. LeMay:

In our letter to you dated May 25, 1990, a copy of which is attached, we filed the referenced Application of Doyle Hartman, Oil Operator ("Hartman") and requested it be set for hearing before the Oil Conservation Commission on June 21, 1990. By a subsequent letter dated May 30, 1990, a copy of which is also attached, Robert G. Stovall, General Counsel of the Oil Conservation Division ("Division"), informed us the referenced Application would be set for hearing before a Division Examiner on June 27, 1990.

On behalf of Hartman we respectfully request the referenced Application be withdrawn. By a copy of this letter we are informing all persons previously notified of the filing of the referenced Application of its withdrawal.

Sincerely,

GALLEGOS LAW FIRM

By *Harry T. Nutter*
HARRY T. NUTTER

HTN:ap

Attachments

cc: Doyle Hartman (w/o attach.)
Robert G. Stovall, Esq. (w/attach.)
William F. Carr, Esq. (w/attach.)
Mr. Dan Nutter (w/o attach.)

*Also admitted in the District of Columbia

**Also admitted in California

***Also admitted in Texas

† Admitted only in Colorado

GALLEGOS LAW FIRM

A Professional Corporation

141 East Palace Avenue
Santa Fe, New Mexico 87501
505 • 983 • 6686
Telefax No. 505 • 986 • 0741

J. E. Gallegos
George F. Bingham*
Michael L. Oja**
Joanne Reuter
Mary E. Walta†
Harry T. Nutter
Mary Ann R. Burmester**

May 25, 1990

HAND DELIVERED

William J. LeMay, Chairman
Oil Conservation Commission
Energy, Minerals & Natural Resources Department
State Land Office Building
Old Santa Fe Trail
Santa Fe, New Mexico 87504

RECEIVED

MAY 25 1990

OIL CONSERVATION DIV.
SANTA FE

RE: Application of Doyle Hartman for Approval of Rededication of Acreage, Non-Standard Proration Units and Compulsory Pooling for the Eumont Gas Pool, Lea County, New Mexico

Dear Mr. LeMay:

Enclosed for filing please find the original and two copies of the referenced Application. Pursuant to Rule 1207, we have notified by certified mail, return receipt requested, those parties listed on Exhibit "C" to the Application as stated therein. We respectfully request you publish notice of the enclosed Application according to Rules 1204 and 1205.

As noted in the Application, we respectfully request a hearing before the Commission on June 21, 1990. This is imperative because the uncompensated drainage affecting the subject acreage should be offset as soon as possible and the Application seeks the unique remedy of compelling certain overriding royalty interest owners to bear a portion of the development costs.

Your prompt attention to this matter will be appreciated.

Sincerely,

GALLEGOS LAW FIRM

By *Harry T. Nutter*
HARRY T. NUTTER

HTN:ap

Enclosures

cc: Doyle Hartman, Oil Operator (w/enc.)

*Also admitted in the District of Columbia

**Also admitted in California

***Also admitted in Texas

† Admitted only in Colorado



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

RECEIVED
90 MAY 31 PM 1 44
GALLEGOS LAW FIRM P.C.

May 30, 1990

GARREY CARRUTHERS
GOVERNOR

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

Mr. Harry T. Nutter
Gallegos Law Firm
141 East Palace Avenue
Santa Fe, New Mexico 87501

Re: Doyle Hartman Application

Dear Mr. Nutter:

The Oil Conservation Division has received your application on behalf of Doyle Hartman for the approval of rededication of acreage, non-standard proration units and compulsory pooling, Eumont Gas Pool, Lea County, New Mexico. Applications of this nature are normally docketed before a hearing examiner for original hearing with the right of de novo before the Oil Conservation Commission. Only in extraordinary situations are cases docketed directly before the Commission. This is not such a case and your application will be docketed for examiner hearing on June 27, 1990.

With respect to your request that overriding royalty interests be compelled to bear a portion of development costs, please be prepared to thoroughly address the legal authority of the Commission to require contribution of cost to the development of a proration unit by overriding royalty interest owners. Before the Division can grant such extraordinary relief, I must be assured that there authority for such action.

Sincerely,

ROBERT G. STOVALL,
General Counsel

RGS/dr

GALLEGOS LAW FIRM

A Professional Corporation

141 East Palace Avenue
Santa Fe, New Mexico 87501
505 • 983 • 6686

Telefax No. 505 • 986 • 0741
Our File No. 90-1.34

June 22, 1990

J. E. Gallegos
George F. Bingham*
Michael L. Oja**
Joanne Reuter
Mary E. Walta †
Harry T. Nutter
Mary Ann R. Burmester***

VIA HAND DELIVERY

Mr. William J. LeMay, Director
Oil Conservation Division
Energy, Minerals & Natural Resources Department
State Land Office Building
Old Santa Fe Trail
Santa Fe, New Mexico 87504

RECEIVED

JUN 22 1990

OIL CONSERVATION DIVISION

RE: NMOCD Case Nos. 9994 and 9949

Dear Mr. LeMay:

Enclosed is the Request for Issuance of Subpoena and a Subpoena Duces Tecum seeking certain information from Chevron U.S.A., Inc. ("Chevron") which is necessary for Doyle Hartman, Oil Operator to prepare his case in support of his Application No. 9994. We would appreciate your advising us as soon as the Subpoena Duces Tecum is executed by you or an authorized Division representative so that we may serve it on Chevron as far in advance of the Examiner hearing as possible.

We have on this date provided a copy of this letter and the enclosed to William F. Carr, attorney for Chevron.

Your prompt attention to this matter will be greatly appreciated.

Sincerely,

GALLEGOS LAW FIRM

By *Harry T. Nutter*
HARRY T. NUTTER

HTN:ap

Enclosures

cc: Doyle Hartman, Oil Operator (w/enc.)
William F. Carr, Esq. (w/enc.)
Mr. Dan Nutter (w/enc.)

*Also admitted in the District of Columbia

**Also admitted in California

***Also admitted in Texas

† Admitted only in Colorado

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

RECEIVED

JUN 22 1990

**IN THE MATTER OF THE APPLICATIONS
OF DOYLE HARTMAN, OIL OPERATOR,
AND CHEVRON, U.S.A., INC. FOR
NON-STANDARD GAS PRORATION UNITS,
EUMONT GAS POOL, LEA COUNTY, NEW MEXICO**

OIL CONSERVATION DIVISION

CASE NOS. 9994 AND 9949

REQUEST FOR ISSUANCE OF SUBPOENA

Pursuant to Rule 1211 of the Rules on Procedure and §70-2-8 N.M.S.A. 1978, Doyle Hartman, Oil Operator ("Hartman") hereby requests the Oil Conservation Division ("Division") to issue a subpoena requiring Chevron U.S.A., Inc. ("Chevron") to produce all records concerning the formation by Chevron of proration units for the Eumont Gas Pool within Sections 4, 5, 6, 8 and 9, Township 21 South, Range 36 East, Lea County, New Mexico. In support thereof Hartman states, as follows:

1. Hartman filed an Application with the Division on June 5, 1990, subsequently assigned Case No. 9994, which seeks approval of a 320-acre, or alternatively a 280-acre, non-standard proration unit for the Eumont Gas Pool comprising portions of Sections 5 and 8, Township 21 South, Range 36 East, N.M.P.M., Lea County, New Mexico, and the compulsory pooling of the interest of Chevron in and under the NE/4 of said Section 8.

2. Although Hartman provided ample opportunity for Chevron to voluntarily cooperate in the forming of the non-standard proration unit sought in his Application No. 9994, Chevron has yet to respond to such proposal, and Hartman has been apprised by counsel for Chevron that Chevron will appear at the Examiner hearing in opposition to his Application No. 9994.

3. Chevron filed an Application with the Division on May 8, 1990, subsequently assigned Case No. 9949, which seeks approval of a 400-acre non-standard proration unit for the Eumont Gas Pool comprising portions of Sections 5 and 6 of the aforesaid Township and Range, which proration unit offsets the proration unit proposed by Hartman in Case No. 9994.

4. Both of the above Applications are set for hearing before a Division Examiner on Wednesday, July 27, 1990.

5. Upon information and belief, Chevron has filed a Form C-101 for permission to drill a well in Section 9 of the aforesaid Township and Range as a prelude to the formation of another proration unit for the Eumont Gas Pool, which proration unit probably will offset the proration unit proposed by Hartman in Case No. 9994.

6. Disclosure of Chevron's planned creation of the above offsetting proration unit or any other proration units offsetting the proration unit proposed by Hartman in Case No. 9994 is extremely relevant and the evidence is essential to a correct and full adjudication of Case No. 9994 and No. 9949. The information sought

is particularly relevant in light of the fact Chevron is contesting the non-standard Eumont gas proration unit proposed by Hartman in his Case No. 9994 while Chevron, it is believed, is simultaneously seeking approval of, or planning to seek approval of, offsetting Eumont proration units which will drain the proration unit proposed by Hartman in Case No. 9994.

WHEREFORE, Hartman respectfully requests the Division Director or his duly authorized representative to immediately issue the Subpoena Duce Tecum submitted herewith.

Respectfully Submitted,

GALLEGOS LAW FIRM, P.C.

By 

J.E. GALLEGOS

HARRY T. NUTTER

141 East Palace Avenue
Santa Fe, New Mexico 87501
(505) 983-6686

ATTORNEYS FOR
DOYLE HARTMAN, OIL OPERATOR

MILLER, STRATVERT, TORGERSON & SCHLENKER, P. A.

LAW OFFICES

RANNE B. MILLER
WILLIAM K. STRATVERT
ALAN C. TORGERSON
KENDALL O. SCHLENKER
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
MARGO J. MCCORMICK
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
MICHAEL H. HOSES
JAMES B. COLLINS
TIMOTHY R. BRIGGS
WALTER R. PARR
THOMAS S. UDALL
RUDOLPH LUCERO
DANIEL E. RAMCZYK
DEAN G. CONSTANTINE

DEBORAH A. SOLOVE
GARY L. GORDON
H. KEVIN HAIGHT
LAWRENCE R. WHITE
SHARON P. GROSS
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JAMES B. COONEY
LEONARD J. PADILLA
TIMOTHY S. VASQUEZ
MARTE D. LIGHTSTONE
BRADFORD K. GOODWIN
NICHOLAS CULLANDER
JOHN R. FUNK
J. SCOTT HALL
THOMAS R. MACK
MICHAEL J. HAPPE
DENISE BARELA SHEPHERD
MICK I. R. GUTIERREZ
JOHN H. MILLER

ALBUQUERQUE
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SANTA FE
125 LINCOLN AVE., SUITE 303
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

KENNETH R. BRANDT (1946 - 1981)

June 27, 1990

PLEASE REPLY TO SANTA FE

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

HAND DELIVERED

Re: NMOCD Case No. 9994 - Application of Doyle Hartman for
Compulsory Pooling, a Non-Standard Gas Proration Unit and
Simultaneous Dedication, Lea County, New Mexico

Dear Mr. LeMay:

Enclosed is this firm's Entry of Appearance in the above case.

Very truly yours,

J. Scott Hall

J. Scott Hall

RECEIVED

JSH/ro

cc: Harry T. Nutter, Esq.
David Catanach

JUN 27 1990

OIL CONSERVATION DIVISION

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

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JUN 27 1990

OIL CONSERVATION DIVISION

CASE NO. 9994

IN THE MATTER OF THE APPLICATION OF
DOYLE HARTMAN FOR COMPULSORY POOLING,
A NON-STANDARD GAS PRORATION UNIT AND
SIMULTANEOUS DEDICATION, LEA COUNTY,
NEW MEXICO

ENTRY OF APPEARANCE

COMES NOW Miller, Stratvert, Torgerson & Schlenker, P.A., and
hereby enters its appearance in the above referenced case on behalf
of Stephen C. Sims and Sim K. Sims as Trustees for the Stephen S.
Chandler Irrevocable Trust.

Respectfully submitted,

MILLER, STRATVERT, TORGERSON
& SCHLENKER, P.A.

By

J. Scott Hall

J. Scott Hall
Suite 303
125 Lincoln Avenue
Santa Fe, New Mexico 87501
Telephone: (505) 989-9614
ATTORNEYS FOR STEPHEN C.
SIMS AND SIM K. SIMS, AS
TRUSTEES FOR THE STEPHEN
S. CHANDLER IRREVOCABLE
TRUST

I HEREBY CERTIFY that a
true and correct copy of
the foregoing has been
hand delivered to Harry
T. Nutter, Esq., Gallegos
Law Firm, 141 East Palace
Avenue, Santa Fe, NM 87501
the 27th day of
JUNE, 1990.

J. Scott Hall
J. Scott Hall

