

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

RECEIVED

MAR 16 1986

OIL CONSERVATION DIVISION

RL

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

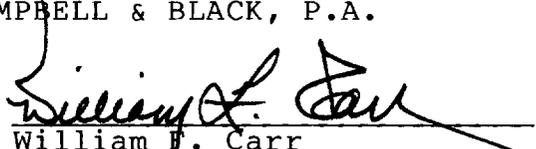
Case No. 8802
Order No. R-8181

APPLICATION OF SOUTHLAND ROYALTY
COMPANY FOR SPECIAL POOL RULES,
LEA COUNTY, NEW MEXICO.

APPLICATION OF SOUTHLAND ROYALTY COMPANY
FOR A HEARING DE NOVO

Pursuant to Rule 1220 of the Rules and Regulations of the
New Mexico Oil Conservation Division, Southland Royalty Company
applies for a De Novo hearing in this matter before the full
Commission on April 9, 1986.

CAMPBELL & BLACK, P.A.

By 

William H. Carr
Post Office Box 2208
Santa Fe, New Mexico 87501
(505) 988-4421

ATTORNEYS FOR SOUTHLAND
ROYALTY COMPANY



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

May 21, 1986

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Mr. Peter Ives
Campbell & Black
Attorneys at Law
Post Office Box 2208
Santa Fe, New Mexico

Re: CASE NO. 3802
ORDER NO. R-8131-B

Applicant:
Southland Royalty Company

Dear Sir:

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

Sincerely,

R. L. STAMETS
Director

RLS/fd

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD

Other Thomas Kellahin

CAMPBELL & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
J. SCOTT HALL
PETER N. IVES
JOHN H. BEMIS

GUADALUPE PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

*Arrange d
for Paul, Vic, and
David C Southland
w/ th to visit they
day before the hearing
B.P.*

April 1, 1986

RECEIVED

APR 1 1986

OIL CONSERVATION DIVISION

R. L. Stamets, Director
Oil Conservation Division
New Mexico Department of
Energy and Minerals
State Land Office Building
Santa Fe, New Mexico 87501

Re: Case 8802: (De Novo) Application of Southland
Royalty Company for Special Pool Rules, Lea County,
New Mexico.

Dear Mr. Stamets:

Following our conversation of March 28, 1986, concerning the possibility of testimony by Paul Kautz at the De Novo hearing in the above-referenced case, I have discussed the matter further with representatives of Southland Royalty Company and Peter Ives of this office. It is our judgment that testimony by Mr. Kautz would be helpful in making a complete record in this case. We believe it essential that the record include testimony as to the kinds of information the Division looks to in determining whether or not temporary pool rules should be promulgated for a pool, and further, what information the Division would expect to be developed while the temporary rules are in place to ultimately justify the establishment of permanent rules for a pool.

I prefer not to subpoena an employee of the Oil Conservation Division, and therefore request that you advise us by noon on Thursday, April 3, whether or not Mr. Kautz will be available to testify in this matter on the 9th. If you prefer, we will request a subpoena seeking Mr. Kautz' attendance and testimony.

As you are aware, this case was unopposed before the Examiner. At that time, we attempted to present all testimony necessary to support an order creating temporary pool rules for the South Corbin-Wolfcamp Pool. Having done this, we are unclear as to what portions of the presentation may have been inadequate,

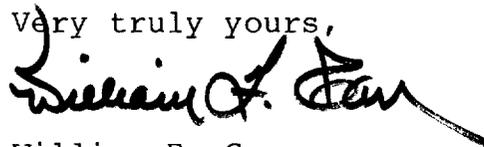
R. L. Stamets, Director
April 1, 1986
Page Two

and we believe it would be useful to us, and would be an important part of the record, to have some clarification as to what the Division expects in a hearing of this nature.

I do not anticipate that the testimony will be either lengthy or hostile in character.

Your attention to this request is appreciated.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is written in a cursive style with a long, sweeping tail on the final letter.

William F. Carr

WFC/cv