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December 23, 1986

Case 9067

RECEIVED

Hand Delivery

DEC 23 1986

OIL CONSERVATION DIVISION

Mr. Victor T. Lyon
Acting Director
Oil Conservation Division
Santa Fe, New Mexico 87501

Re: Pennzoil application to amend Order R-8366, Case
No. 9003.

Dear Mr. Lyon:

After reviewing Mr. Kellahin's letter of December 22, 1986 and after consultation with my client's (Barbara Fasken) engineering staff we object to the Pennzoil request as proposed by Mr. Kellahin's letter.

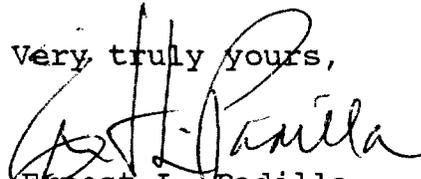
Pennzoil's application in case 9003 was hotly contested and took nearly an entire day to hear. No mention of a typographical condition was ever mentioned during the hearing. Such a condition - as an academic and practical matter - should have been ascertained prior to hearing.

To allow the well to be drilled at another location now without benefit of hearing would be improper. A new case should be advertized and should proceed to hearing as requested on January 21, 1987.

We further object to the proposed advertizement of the case on the basis of the evidentiary conditions placed on application. All parties affected should have an

Mr. Victor T. Lyon
December 23, 1986
Page 2

opportunity to re-evaluate the impact of the proposed new location.

Very truly yours,

Ernest L. Padilla

ELP/ys

c: James Groce
W. Thomas Kellahin, Esquire
Jim Bruce, Esquire
Peter Ives, Esquire

KELLAHIN and KELLAHIN

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W. Thomas Kellahin

Karen Aubrey

Jason Kellahin

Of Counsel

January 9, 1987

RECEIVED

JAN 9

Mr. Charles Roybal
Acting Director
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

OIL CONSERVATION DIVISION

"Hand Delivered"

Re: Pennzoil Company
Viersen Well #3
Commission Order R-8366
Case 9003

Dear Mr. Roybal:

By letter dated December 22, 1986, on behalf of Pennzoil Company, we filed an application for a hearing to be held on January 21, 1987, to amend the approved unorthodox location due to the topographical conditions.

While page one of that December 22, 1986 letter contained the correct description, page two of that letter contained an obvious typographical error by showing the requested amended location to be 2800 feet from the east line of Section 4. The correct location, is in fact, 2080 feet from the east line and 150 feet from the south line of Section 4.

This typographical error has been corrected and the advertisement by the Division for the hearing is correct.

Very truly yours,



W. Thomas Kellahin

WTK:ca

cc: Joe Pettit (Pennzoil)
Earnest L. Padilla, Esq.
Peter Ives, Esq.
James Bruce, Esq.

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION



March 26, 1987

GARREY CARRUTHERS
GOVERNOR

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Mr. Thomas Kellahin
Kellahin & Kellahin
Attorneys at Law
Post Office Box 2265
Santa Fe, New Mexico

Re: CASE NO. 9067
ORDER NO. R-8366-A

Applicant:

Pennzoil Company

Dear Sir:

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

Sincerely,

FLORENE DAVIDSON
OC Staff Specialist

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD

Other James Bruce
