



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

BRUCE KING  
GOVERNOR

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

October 11, 1991

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

RE: CASE NO. 10389  
ORDER NO. R-9595

Dear Sir:

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

Sincerely,

A handwritten signature in cursive script that reads "Florene Davidson".

Florene Davidson  
OC Staff Specialist

FD/sl

cc: BLM Roswell Office

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

JACK M. CAMPBELL  
OF COUNSEL

HAND-DELIVERED

February 21, 1992

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

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

**RECEIVED**

FEB 21 1992

OIL CONSERVATION DIV.  
SANTA FE

Re: Oil Conservation Division Case No. 10389:  
Application of Chi Operating, Inc. for Compulsory Pooling, Roosevelt  
County, New Mexico

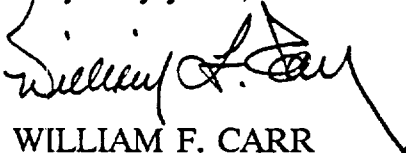
Dear Mr. LeMay:

By Division Order No. R-9595 the above referenced application of Chi Operating Inc. was granted pooling the W/2 equivalent of Section 5, Township 18 South, Range 37 East, N.M.P.M., Roosevelt County, New Mexico. This Order provided that a well should be commenced on this pooled unit on or before the 1st day of January, 1992. By letter dated December 16, 1991 you granted the request of Chi Operating Inc. to extend the time within which to begin the well on this pooled unit until March 1, 1992.

I have been advised by representatives of Chi Operating, Inc. that due to the excessive fall of gas prices in this area that they are unable to commence the well at this time and request an additional extension of the provisions of Order No. R-9595 to enable them to commence a well on the pooled acreage prior to January 1, 1993.

Your attention to this request is appreciated.

Very truly yours,



WILLIAM F. CARR

WFC:mlh

cc: Mr. Bill Seltzer  
214 West Texas, Suite 507  
Midland, Texas 79701



State of New Mexico  
**ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT**  
Santa Fe, New Mexico 87505



**BRUCE KING**  
GOVERNOR

February 26, 1992

ANITA LOCKWOOD  
CABINET SECRETARY

MATTHEW BACA  
DEPUTY SECRETARY

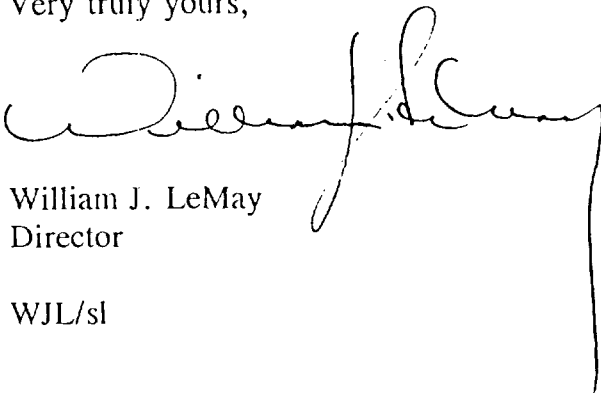
William F. Carr  
Attorney at Law  
Campbell, Carr, Berge  
& Sheridan  
P. O. Box 2208  
Santa Fe, New Mexico 87504

**RE: Oil Conservation Division Case No. 10389 - Application of Chi Operating, Inc. for Compulsory Pooling, Roosevelt County, New Mexico**

Dear Mr. Carr:

In response to your letter of February 21, 1992 in which you requested an extension of the provisions of Order No. R-9595 to enable Chi Operating Company to commence a well on the pool acreage on or before January 1, 1993, I must inform you that this request is denied. It has been Division policy not to grant extensions beyond 120 days. By letter dated December 16, 1991, the Division granted Chi Operating Company a 60 day extension until March 1, 1992. We recognize that gas prices are currently depressed, but there is no guarantee that gas prices will rebound to a level which will allow Chi to drill the captioned well. Based on your letter of February 21, 1992, we are granting you one final extension until June 1, 1992 to commence drilling operations. No other extensions beyond June 1, 1992 are available under Order No. R-9595. In the event the well is not commenced by June 1, 1992 and Chi wishes to drill the captioned well after that date, Chi can apply administratively for a forced pooling order if notification and other OCD requirements are met.

Very truly yours,



William J. LeMay  
Director

WJL/sl

VILLAGRA BUILDING - 408 Galisteo  
Forestry and Resources Conservation Division  
P.O. Box 1948 87504-1948  
827-5830

Park and Recreation Division  
P.O. Box 1147 87504-1147  
827-7465

2040 South Pacheco  
Office of the Secretary  
827-5950

Administrative Services  
827-5925

Energy Conservation & Management  
827-5930

Mining and Minerals  
827-6210

LAND OFFICE BUILDING - 310 Old Santa Fe Trail  
Oil Conservation Division  
P.O. Box 2000 87501-2000  
827-6000

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR

December 16, 1991



POST OFFICE BOX 2208  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 822-5100

Mr. William F. Carr  
Campbell, Carr, Berge & Sheridan  
Attorneys at Law  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208

Dear Mr. Carr:

Based upon your letter of December 13, 1991, and in accordance with the provisions of Division Order No. R-9595, Chi Operating, Inc. is hereby granted an extension of time in which to begin the well on the unit pooled by said order until March 1, 1992.

Sincerely,

A handwritten signature in cursive script, appearing to read "William J. Lemay".

WILLIAM J. LEMAY  
Director

WJL/fd

cc: ✓ Case No. 10389  
Oil Conservation Division - Hobbs

CAMPBELL & BLACK, P.A.  
LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
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POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

December 13, 1991

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

OIL CONSERVATION DIV.  
SANTA FE

DEC 12 1991

RECEIVED

Re: Oil Conservation Division Case No. 10389:  
Application of Chi Operating, Inc. for Compulsory Pooling, Roosevelt  
County, New Mexico

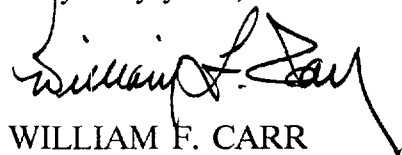
Dear Mr. LeMay:

By Division Order No. R-9595 the above referenced application of Chi Operating Inc. was granted pooling the W/2 equivalent of Section 5, Township 18 South, Range 37 East, N.M.P.M., Roosevelt County, New Mexico. This Order provided that the well should be commenced on this pooled unit on or before the 1st day of January, 1992.

Certain title problems have developed which have required Chi Operating, Inc. to undertake curative work on three tracts included in this pooled unit. Accordingly, they are unable to commence the well by January 1, 1992. Chi Operating, Inc., therefore requests that Order No. R-9595 be extended for sixty (60) days to enable it to complete this curative work and then proceed with the drilling of the proposed well on this tract.

Your attention to this request is appreciated.

Very truly yours,



WILLIAM F. CARR  
WFC:mlh

cc: Mr. Bill Seltzer  
214 West Texas, Suite 507  
Midland, Texas 79701

*done - OK to  
letter granting ext.  
Bill*