LAW OFFICES

TANSEY, ROSEBROUGH, GERDING & STROTHER, P.C.

621 WEST ARRINGTON FARMINGTON, NEW MEXICO 87401 TELEPHONE: (505) 325-1801

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Austin E. Roberts 1921-1983

Mailing Address: P. O. Box 1020 Farmington, N.M. 87499

OF COUNSEL Charles M. Tansey

Douglas A. Echols Richard L. Gerding Connie R. Martin Michael T. O'Loughlin James B. Payne Tommy Roberts Haskell D. Rosebrough Robin D. Strother

June 6, 1988

State of New Mexico Energy and Minerals Department Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501-2088

Attn: Michael E. Stogner

Re: Application for Compulsory Pooling Hixon Development Company Tapacitos No. 2 Well Rio Arriba County, New Mexico Case No. 9377

Dear Mr. Stogner:

Enclosed, per your request, is proposed order in Case No. 9377, as referenced above.

Please feel free to contact me should you have any questions or require any additional information.

Sincerely,

John Role to

TOMMY ROBERTS

TR:nk Enclosure

xc: John Corbett

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS

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

PRIVILEGED COMMUNICATION

MEMORANDUM

TO: BILL LEMAY, DIRECTOR

FROM: BOB STOVALL, GENERAL COUNSEL

SUBJECT: PROPOSED ORDER IN CASE 9377

I have reviewed Mike Stogner's proposed order in the above case, and it raises a significant legal question: can you deny a standard 640-acre spacing unit to an operator based upon a previous order which "grandfathered" existing 320-acre spacing units at the time the pool rules were changed from 320 to 640?

The essential facts are contained in the order, and I do not question the examiner's findings. The operator and all other working interest owners have agreed to form a 640 acre standard unit. Order R-7407-E changed the spacing of the Gavilan-Mancos Oil Pool from 320 acres to 640 acres, but rather than requiring operators to either form a standard unit or file for a non-standard unit, that order granted an exception to existing proration units.

Assuming that order had the effect of approving existing 320's as non-standard units, what authority does the Division have to disapprove the formation of a standard unit? Consider that in a force-pooling case the applicant would not put on drainage data when the unit to be pooled is standard. Consider also that the operator in this case has indicated an intent to drill a second well. Can the Division deny them the right to do so on a single standard unit?

I would anticipate that these issues may be raised on appeal should the applicant decide to do so. These are novel questions and I have not researched them. I only bring them to your attention so that you are aware of them in entering your order.

This memorandum should be considered as privileged attorneyclient communication and should not be placed in the case file.

Delipped with this statement time her hering france, 6 hours,

》:我P我"A

May 27, 1988

Mr. Michael E. Stogner New Mexico Oil Conservation Division P.O. Box 2088 Santa Fe, NM 87504-2088

Subject: NMOCD Case #9377 - Application of Hixon Development Company for Compulsory Pooling

Dear Mr. Stogner:

Enclosed please find evidence of Hixon Development Company's efforts to notify Mr. Virgil Hartquist of the subject case and to acquire his written consent to our action. This is intended to supplement the evidence submitted in item #21 of exhibit #1 in the case.

If I can be of any further assistance in this matter please do not hesitate to call me at (505) 326-3325 or write to me at our letterhead address.

Very truly yours,

John C. Corbett

John C. Corbett Vice President - Exploration

JCC/plc

Enclosure

May 10, 1988

Mr. Virgil Hartquist 100 S. Wacker Dr., Room 202 Chicago, Illinois 60606

Subject: Federal Oil and Gas Lease NM 31577 insofar as it covers T26N-R2W, N.M.P.M. Section 25: NE/4 Section 36: NW/4NE/4, S/2NE/4 Rio Arriba County, New Mexico

Dear Mr. Hartquist:

As you know, Hixon Development Company is scheduled for a hearing before the New Mexico Oil Conservation Division (NMOCD) on May 25, 1988 to reform two proration units in the subject sections. The new units will encompass leases on which you have an overriding royalty interest. You can assist us in expediting this procedure if you don't have any objection to what we are planning to do. If this is the case, I ask that you review the attached letters. They essentially detail your desire to not oppose our plans.

If you agree to the terms of the letters, I respectfully request that you sign both copies of the letters and send one copy of each letter to the NMOCD on our behalf in the postage paid envelope that I have provided for your use. I have also included a second envelope for you to use for a copy of the same letter to be mailed back to me for our files.

Should you have any questions regarding this matter, please do not hesitate to call me at 326-3325 or write to me at the letterhead address.

Very truly yours,

John C. Conbett

John C. Corbet: Vice President - Exploration

JCC/plc

Enclosures

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May 10, 1988

New Mexico Oil Conservation Division Attn: William J. LeMay, Division Director Post Office Box 2088 Santa Fe, New Mexico 87501-2088

Subject: Application for Order Approving Voluntary Reformation of Non-Standard Oil Spacing and Proration Unit Hixon Development Company Tapacitos Well No. 2 Section 25, T26N-R2W, N.M.P.M. Rio Arriba County, New Mexico

Dear Mr. LeMay:

The intent of this letter is to express my consent to the subject Application for Order Approving Voluntary Reformation of Non-Standard Oil Spacing and Proration Unit as applied for by Hixon Development Company.

I, Virgil Hartquist, as owner of an overriding royalty interest in the proposed Oil Spacing and Proration Unit applicable to the subject well, do hereby acknowledge receipt of a letter dated May 10, 1988 giving notice to me by Hixon Development Company that the subject application has been placed on the May 25, 1988 docket of the New Mexico Oil Conservation Division. Furthermore, I hereby state that I have no objection to the subject application and I hereby grant my consent and approval to the application which this letter is the subject of.

Very truly yours,

Virgil Hartquist 100 S. Wacker Dr., Room 202 Chicago, Illinois 60606

cc: Hixon Development Company Post Office Box 2810 Farmington, New Mexico 87499

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May 10, 1988

New Mexico Oil Conservation Division Attn: William J. LeMay, Division Director Post Office Box 2088 Santa Fe, New Mexico 87501-2088

Subject: Application for Compulsory Pooling Hixon Development Company Tapacitos Well No. 4 Section 36, T26N-R2W, N.M.P.M. Rio Arriba County, New Mexico

Dear Mr. LeMay:

The intent of this letter is to express my consent to the subject Application for Compulsory Pooling as applied for by Hixon Development Company.

I, Virgil Hartquist, as owner of an overriding royalty interest in the proposed Oil Spacing and Proration Unit applicable to the subject well, do hereby acknowledge receipt of a letter dated May 10, 1988 giving notice to me by Hixon Development Company that the subject application has been placed on the May 25, 1988 docket of the New Mexico Oil Conservation Division. Furthermore, I hereby state that I have no objection to the subject application and I hereby grant my consent and approval to the application which this letter is the subject of.

Very truly yours,

Virgil Hartquist 100 S. Wacker Er., Room 202 Chicago, Illincis 60606

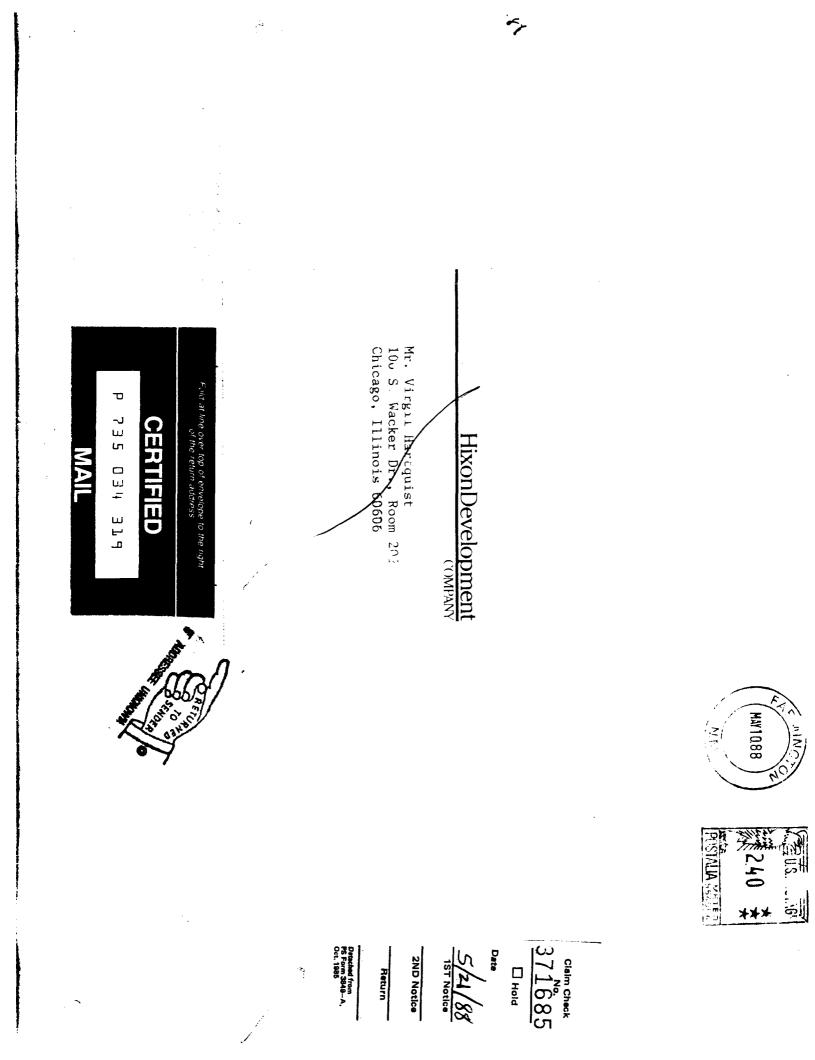
cc: Hixon Development Company Post Office Box 2810 Farmington, New Mexico 87499



SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. ■ and 4.
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. <u>The return receipt fee will provide you the name of the person delivered to and the date of delivery</u>. For additional fees the following services are available. Consult postmaster for fees and check box(ee) for additional service(s) requested.
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2. □ Restricted Delivery t(Extra charge) t (Extra charge) t 3. Article Addressed to: 4. Article Number P 735 034 319 Mr. Virgil Hartquist Type of Service: 100 S. Wacker Dr., Room 202 Registered Insured Chicago, Illinois 60606 XX Certified Express Mail Always obtain signature of addressee or agent and DATE DELIVERED. 8. Addressee's Address (ONLY if 5. Signature - Addressee requested and fee paid) Х 6. Signature - Agent X 7. Date of Delivery PS Form 3811, Mar. 1987 * U.S.G.P.O. 1987-178-268 DOMESTIC RETURN RECEIPT 40 90 65 85 Fold at time over top of envelope to the right of the relation address 202 , RECEIPT FOR CERTIFIED MAIL NO INSURANCE COVERAGE PROVIDED NOT FOR INTERNATIONAL MAIL Г 60606 ٦, 1J Room ŝ ,-*2*, m S **T** Return Receipt showing to whom Date, and Address of Delivery = ZP1 Code (See Reverse) ЧFП Dr., m Varigil Hartquist Heturn Receipt showing to whom and Date Delivered GERT TOTAL Postage and Fees 5-10-88 Restricted Delivery Fee "Wack ഗ Special Delivery Fee ណា Postmark or Date m n: Chicago, ۲-<u>r</u>--Certified Fee and t ٩ Postage a. Ĩ'00' PS Form 3800, June 1985

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COMPANY

May 10, 1988

Mr. Virgil Hartquist 100 S. Wacker Dr., Room 202 Chicago, Illinois 60606

Subject: Application for Order Approving Voluntary Reformation of Non-Standard Oil Spacing and Proration Unit Hixon Development Company Tapacitos Well No. 2 Section 25, T26N, R2W Rio Arriba Co., New Mexico

Ladies/Gentlemen:

The purpose of this letter is to provide notice to you, in accordance with the rules and regulations of the New Mexico Oil Conservation Division, that Hixon Development Company has filed an application with the New Mexico Oil Conservation Division seeking an Order approving the voluntary reformation of an existing 320 acre non-standard oil spacing and proration unit in the Gavilan Mancos Oil Pool, Rio Arriba County, New Mexico, comprising the W/2 of Section 25-T26N-R2W, N.M.P.M., and currently completed in and producing from the Gavilan Mancos Oil Pool, to a 640 acre standard oil spacing and proration unit in the Gavilan Mancos Oil Pool, comprising all of said Section 25, to be dedicated to said well.

This application has been placed on the May 25, 1988 docket of the New Mexico Oil Conservation Division. In accordance with the rules and regulations of the New Mexico Oil Conservation Division, you are entitled to be present at the hearing and to present testimony and to submit evidence in support of your position regarding the merits of the application. Mr. Virgil Hartq t May 10, 1988 Page 2

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If you should have any questions regarding this matter, please do not hesitate to call me at (505) 326-3325.

Very truly yours,

John C. Cabett

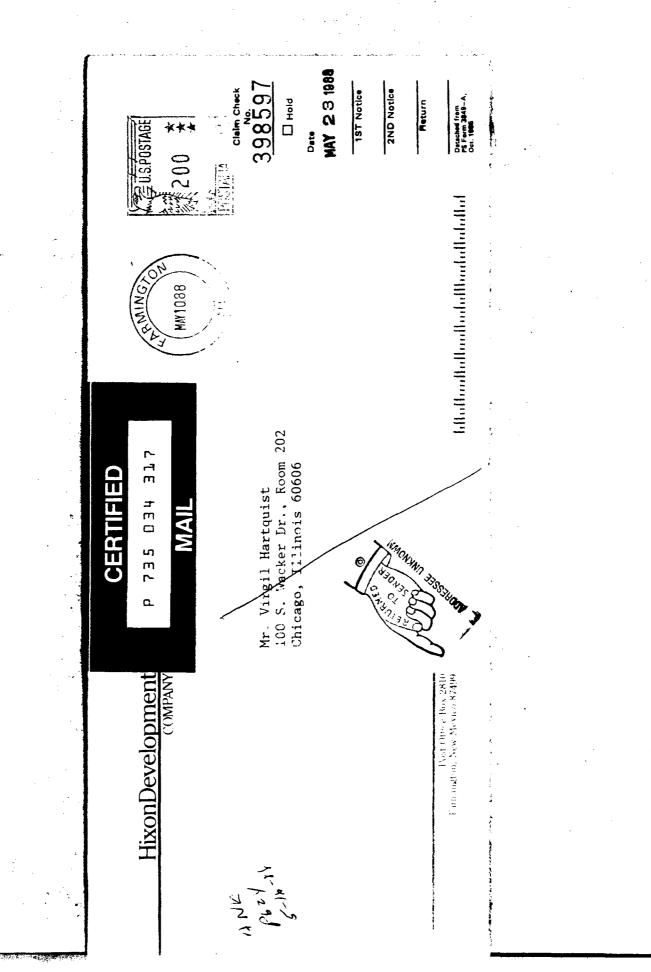
John C. Corbetz Vice President - Exploration

JCC/plc

xc: New Mexico Oil Conservation Division Attn: William J. LeMay, Division Director P. O. Box 2088 Santa Fe, New Mexico 87501-2088

CERTIFIED - RETURN RECEIPT REQUESTED P 735 034 317

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. <u>The return receipt fee will provide you the name of the person delivered to and the date of delivery</u>. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested. 1. □ Show to whom delivered, date, and addresse's address. ↑(Extra charge)↑ 2. C Restricted Delivery 1 (Extra charge)1 3. Article Addressed to: 4. Article Number Mr. Virgil Harquist P 735 034 317 100 S. Wacker Dr., Room 202 Type of Service: Registered 🗌 Insured Chicago, Illinois 60606 **KCertified** Express Mail Always obtain signature of addressee or agent and DATE DELIVERED. 5. Signature - Addressee 8. Addressee's Address (ONLY if requested and fee paid) Х 6. Signature - Agent X 7. Date of Delivery PS Form 3811, Mar. 1987 * U.S.G.P.O. 1987-178-268 DOMESTIC RETURN RECEIPT 20. 25 85 8 90 Fold at line over top of envelope to the right of the second accress 5. Room 60606 RECEIPT FOR CERTIFIED MAIL NO INSURANCE COVERAGE FROVIDED NOT FOR INTERNATIONAL MAIL (See Reverse) **^**-٢-г-1 С s Ś m • Return Receipt showing to whom. Date, and Address of Delivery S # == (m ц Ц Chicago, Illinoi Virgil Hartquist m Return Receipt showing to whom and Date Delivered ł TOTAL Postage and Fees 5-10-88 \square 100 S. Wacker î. T Restricted Delivery Fee Special Delivery Fee ഗ ណ កា Postmark or Date m Т ~ r~ Certified Fee a. Postage a. PS Form 3800, June 1985



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OMPANY

April 27, 1988

Mr. Virgil Hartquist 601 Colville Road Charlotte, North Carolina 28207

Subject: Federal Oil and Gas Lease NM 31577 insofar as it covers T26N-R2W, N.M.P.M. Section 25: NE/4 Section 36: NW/4NE/4, S/2NE/4 Rio Arriba County, New Mexico

Dear Mr. Hartquist:

As you know, Hixon Development Company is scheduled for a hearing before the New Mexico Oil Conservation Division (NMOCD) on May 11, 1988 to reform two proration units in the subject sections. The new units will encompass leases on which you have an overriding royalty interest. You can assist us in expediting this procedure if you don't have any objection to what we are planning to do. If this is the case, I ask that you review the attached letters. They essentially detail your desire to not oppose our plans.

If you agree to the terms of the letters, I respectfully request that you sign both copies of the letters and send one copy of each letter to the NMOCD on our behalf in the postage paid envelope that I have provided for your use. I have also included a second envelope for you to use for a copy of the same letter to be mailed back to me for our files.

Should you have any questions regarding this matter, please do not hesitate to call me at 326-3325 or write to me at the letterhead address.

Very truly yours,

John C. Conbett

John C. Corbett Vice President - Exploration

JCC/plc

Post Office Box 2810 Farmington, New Mexico 87499 505 - 326-3325

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2. □ Restricted Delivery t(Extra charge)? 3. Article Addressed to: 4. Article Number P 735 034 311 Mr. Virgil Hartquist Type of Service: 601 Colville Road Insured Registered Charlotte, North Carolina 28207 Certified Express Mail Always obtain signature of addressee or agent and DATE DELIVERED. 5. Signature - Addressee 8. Addressee's Address (ONLY if requested and fee paid) х 6. Signature - Agent х 7. Date of Delivery PS Form 3811, Mar. 1987 * U.S.G.P.O. 1987-178-268 DOMESTIC RETURN RECEIPT -. ... and the second 2820 65 .90 85 40 Carolina Egada inte over top of envelope to the right of the return address RECEIPT FOR CERTIFIED MAIL NO INSURANCE COVERAGE PROVINED NOT FOR INTERNATIONAL MAIL 2 -7 η η Ε 7 ŝ CERTIFIED ŝ Mr. Virgil Hartquist m h E O Return Receipt showing to whom Date, and Address of Delivery Sol Colville Road (See Reverse) æ Charlotte, North MAII **r**a Return Receipt showing to whom and Date Delivered TOTAL Postage and Fees C 4-26-88 Hestricted Delivery Fee ŝ 5 E C Special Delivery Fee Postmark or Dale m ~ Certified Fee а. Postage ۵ PS Form 3800, June 1985

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April 27, 1988

New Mexico Oil Conservation Division Attn: William J. LeMay, Division Director Post Office Box 2088 Santa Fe, New Mexico 87501-2088

Subject: Application for Order Approving Voluntary Reformation of Non-Standard Oil Spacing and Proration Unit Hixon Development Company Tapacitos Well No. 2 Section 25, T26N-R2W, N.M.P.M. Rio Arriba County, New Mexico

Dear Mr. LeMay:

The intent of this letter is to express my consent to the subject Application for Order Approving Voluntary Reformation of Non-Standard Oil Spacing and Proration Unit as applied for by Hixon Development Company.

I, Virgil Hartquist, as owner of an overriding royalty interest in the proposed Oil Spacing and Proration Unit applicable to the subject well, do hereby acknowledge receipt of a letter dated April 21, 1988 giving notice to me by Hixon Development Company that the subject application has been placed on the May 11, 1988 docket of the New Mexico Oil Conservation Division. Furthermore, I hereby state that I have no objection to the subject application and I hereby grant my consent and approval to the application which this letter is the subject of.

Very truly yours,

Virgil Hartquist 601 Colville Road Charlotte, North Carolina 28207

cc: Hixon Development Company Post Office Box 2810 Farmington, New Mexico 87499

COMPANY

April 27, 1988

New Mexico Oil Conservation Division Attn: William J. LeMay, Division Director Post Office Box 2088 Santa Fe, New Mexico 87501-2088

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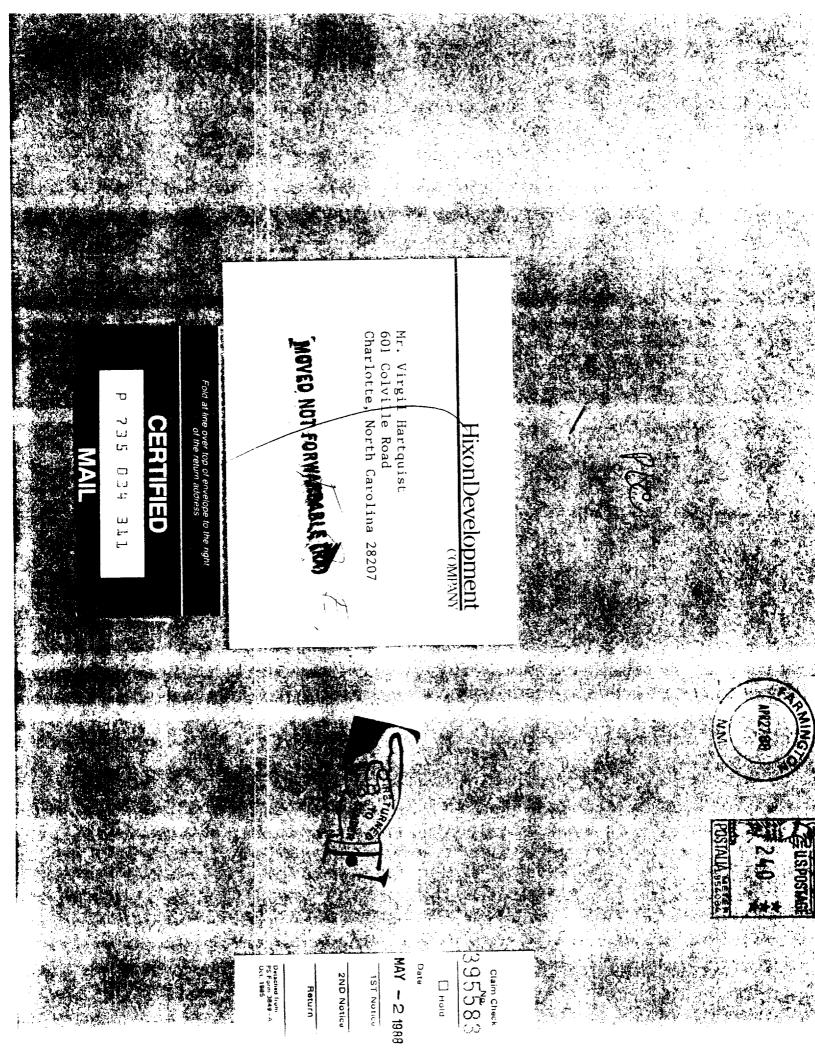
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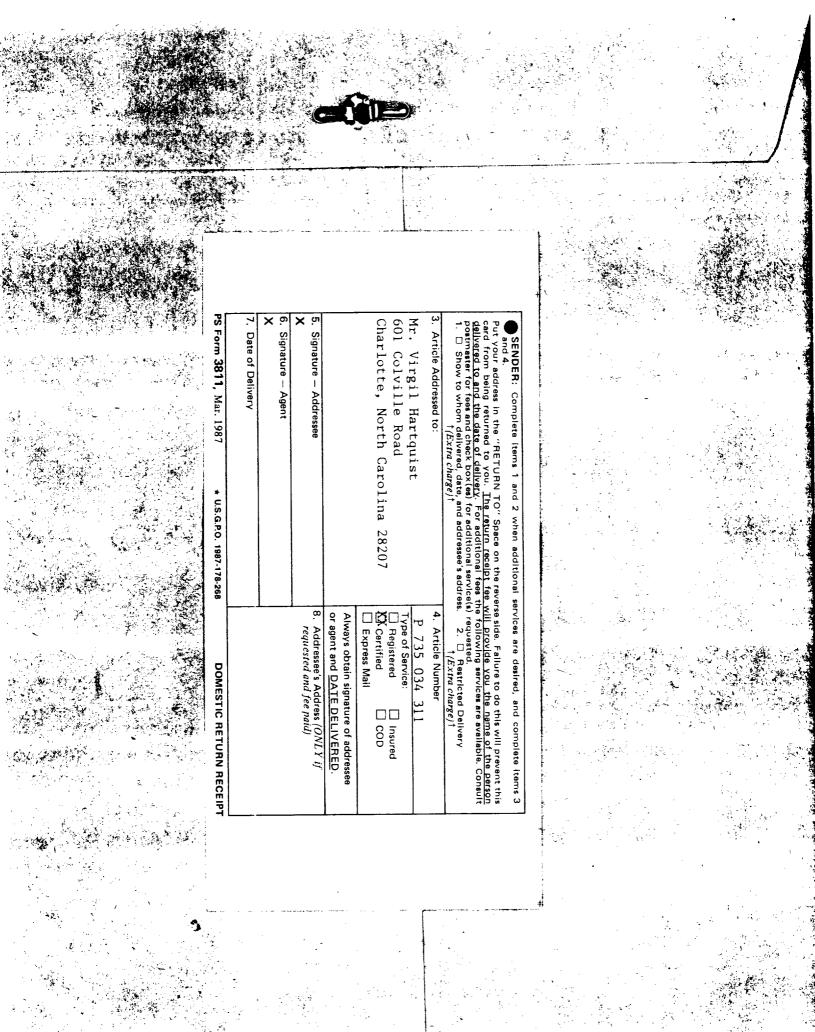
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Virgil Hartquist 601 Colville Road Charlotte, North Carolina 28207

cc: Hixon Development Company Post Office Box 2810 Farmington, New Mexico 87499





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HixonDevelopment

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Mr. Virgil T. Hart 'st April 21, 1988 Page 2

If you should have any questions regarding this matter, please do not hesitate to call me at (505) 326-3325.

Very truly yours,

John C. Conbett

John C. Corbett Vice President - Exploration

JCC/plc

xc: New Mexico Oil Conservation Division Attn: William J. LeMay, Division Director P. O. Box 2088 Santa Fe, New Mexico 87501-2088

CERTIFIED - RETURN RECEIPT REQUESTED P 735 034 308

SENDER: Complete items 1 and 2 when additional ser Put your address in the "RETURN TO" space on the rever card from being returned to you. <u>The return receipt fee wi</u> <u>delivered to and the date of delivery</u> . For additional fees to postmaster for fees and check box(es) for additional service	rse side. Failure to do this will prevent this ill provide you the name of the person he following services are available. Consult
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Mr. Virgil T. Hartquist	Type of Service:
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Charlotte, North Carolina 28207	Certified COD
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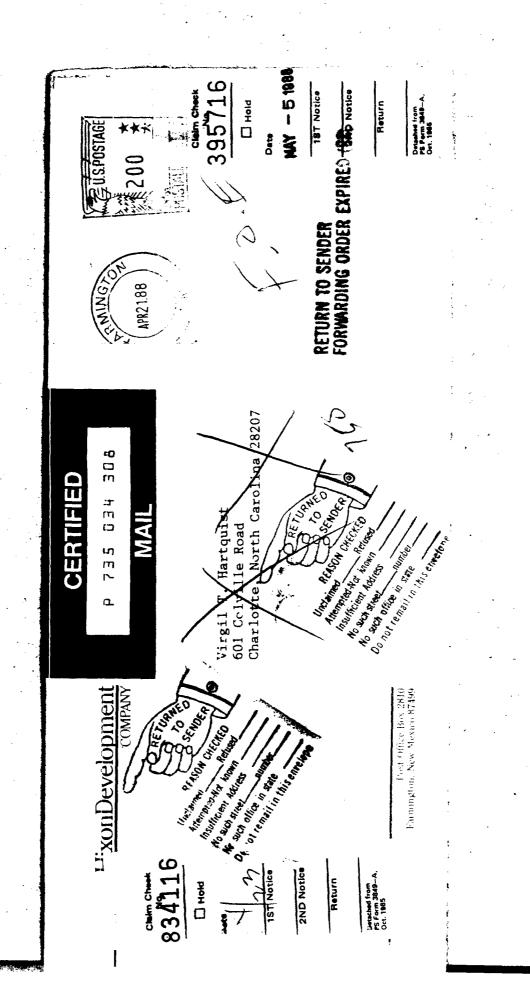
PS Form 3800, June 1985

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April 27, 1988

New Mexico Oil Conservation Division Attn: William J. LeMay, Division Director Post Office Box 2088 Santa Fe, New Mexico 87501-2088

(CLL 932)

Subject: Application for Order Approving Voluntary Reformation of Non-Standard Oil Spacing and Proration Unit Hixon Development Company Tapacitos Well No. 2 Section 25, T26N, R2W Rio Arriba County, New Mexico

Dear Mr. LeMay:

Enclosed please find a copy of the letter of notification to the BLM concerning the subject application.

If you should have any questions regarding this matter, please do not hesitate to call me at 326-3325.

Very truly yours,

John C. Corbett

John C. Corbett Vice President - Exploration

JCC/plc

Enclosure

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HixonDevelopment

COMBAN

April 25, 1988

United States Department of the Interior - BLM Post Office Box 1449 Santa Fe, New Mexico 87504-1449

Subject: Federal Oil and Gas Lease NM 7993 Federal Oil and Gas Lease NM 31577

Application for Order Approving Voluntary Reformation of Non-Standard Oil Spacing and Proration Unit Hixon Development Company Tapacitos Well No. 2 Section 25, T26N, R2W Rio Arriba Co., New Mexico

Case 93>>

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United States Department of the Interior - BLM April 25, 1988 Page 2

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xc: New Mexico Oil Conservation Division Attn: William J. LeMay, Division Director P. O. Box 2088 Santa Fe, New Mexico 87501-2088

CERTIFIED - RETURN RECEIPT REQUESTED P 735 034 309

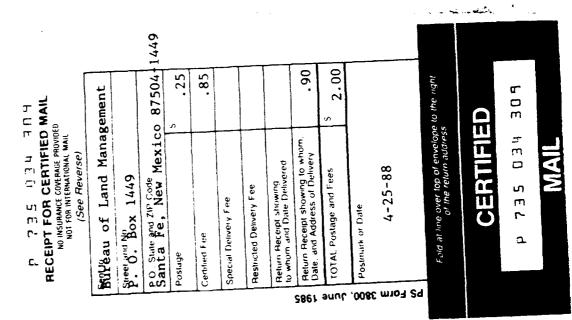
SENDER: Complete items 1 and 2 when additional service Put your address in the "RETURN TO" space on the reverse card from being returned to you. <u>The return receipt fee will delivered to and the date of delivery</u> . For additional fees the postmaster for fees and check box(es) for additional service 1. Show to whom delivered, date, and addressee's addresse.	a side. Failure to do this will prevent this provide you the name of the person following services are available. Consult (s) requested
3. Article Addressed to: BLM	4. Article Number
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P. O. Box 1449	Type of Service:
Santa Fe, New Mexico 87504-1449	Registered Insured Certified COD Express Mail
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April 22, 1988

Care No. 9377

New Mexico Oil Conservation Division Attn: William J. LeMay, Division Director Post Office Box 2088 Santa Fe, New Mexico 87501-2088

Subject: Application for Order Approving Voluntary Reformation of Non-Standard Oil Spacing and Proration Unit Hixon Development Company Tapacitos Well No. 2 Section 25, T26N, R2W Rio Arriba County, New Mexico

Dear Mr. LeMay:

Enclosed please find copies of the letters of notification to all of the interest owners concerning the subject application.

If you should have any questions regarding this matter, please do not hesitate to call me at 326-3325.

Very truly yours,

John C. Corbett

John C. Corbett Vice President - Exploration

JCC/plc

Enclosures

April 21, 1988

Mr. Tom Dugan Dugan Production Corp. P. O. Box 208 Farmington, NM 87499

Subject: Application for Order Approving Voluntary Reformation of Non-Standard Oil Spacing and Proration Unit Hixon Development Company Tapacitos Well No. 2 Section 25, T26N, R2W Rio Arriba Co., New Mexico

Ladies/Gentlemen:

The purpose of this letter is to provide notice to you, in accordance with the rules and regulations of the New Mexico Oil Conservation Division, that Hixon Development Company has filed an application with the New Mexico Oil Conservation Division seeking an Order approving the voluntary reformation of an existing 320 acre non-standard oil spacing and proration unit in the Gavilan Mancos Oil Pool, Rio Arriba County, New Mexico, comprising the W/2 of Section 25-T26N-R2W, N.M.P.M., and currently dedicated to the Hixon Development Company Tapacitos Well No. 2 located in the SW/4 of said Section 25, which well is currently completed in and producing from the Gavilan Mancos Oil Pool, to a 640 acre standard oil spacing and proration unit in the Gavilan Mancos Oil Pool, comprising all of said Section 25, to be dedicated to said well.

HixonDevelopment

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This application has been placed on the May 11, 1988 docket of the New Mexico Oil Conservation Division. In accordance with the rules and regulations of the New Mexico Oil Conservation Division, you are entitled to be present at the hearing and to present testimony and to submit evidence in support of your position regarding the merits of the application.

Mr. Tom Dugan April 21, 1988 Page 2

If you should have any questions regarding this matter, please do not hesitate to call me at (505) 326-3325.

Very truly yours,

John C. Conhett

John C. Corbett Vice President - Exploration

JCC/plc

xc: New Mexico Oil Conservation Division Attn: William J. LeMay, Division Director P. O. Box 2088 Santa Fe, New Mexico 87501-2088

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Mr. Tom Dugan	<u>P 735 034 305</u>
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Farmington, New Mexico 87499	Contified COD
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PS Form 3811, Feb. 1986

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April 21, 1988

Mr. Alan Alexander District Land Manager Meridian Oil, Inc. P. O. Box 4289 Farmington, NM 87499-4289

Subject: Application for Order Approving Voluntary Reformation of Non-Standard Oil Spacing and Proration Unit Hixon Development Company Tapacitos Well No. 2 Section 25, T26N, R2W Rio Arriba Co., New Mexico

Ladies/Gentlemen:

The purpose of this letter is to provide notice to you, in accordance with the rules and regulations of the New Mexico Oil Conservation Division, that Hixon Development Company has filed an application with the New Mexico Oil Conservation Division seeking an Order approving the voluntary reformation of an existing 320 acre non-standard oil spacing and proration unit in the Gavilan Mancos Oil Pool, Rio Arriba County, New Mexico, comprising the W/2 of Section 25-T26N-R2W, N.M.P.M., and currently dedicated to the Hixon Development Company Tapacitos Well Nc. 2 located in the SW/4 of said Section 25, which well is currently completed in and producing from the Gavilan Mancos Oil Pool, to a 64C acre standard oil spacing and proration unit in the Gavilan Mancos Oil Pool, comprising all of said Section 25, to be dedicated to said well.

HixonDevelopment

This application has been placed on the May 11, 1988 docket of the New Mexico Oil Conservation Division. In accordance with the rules and regulations of the New Mexico Oil Conservation Division, you are entitled to be present at the hearing and to present testimony and to submit evidence in support of your position regarding the merits of the application.

Mr. Alan Alexander April 21, 1988 Page 2

If you should have any questions regarding this matter, please do not hesitate to call me at (505) 326-3325.

Very truly yours,

John C. Conbett

John C. Corbett Vice President - Exploration

JCC/plc

xc: New Mexico Oil Conservation Division Attn: William J. LeMay, Division Director P. O. Box 2088 Santa Fe, New Mexico 87501-2088

CERTIFIED - RETURN RECEIPT REQUESTED P 735 034 306

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Mr. Alan Alexander P 735 034 306 Meridian Oil, Inc. Type of Service: P. O. Box 4289 Insured Farmington, New Mexico 87499 Certified COD Express Mail Always obtain signature of addressee agent and DATE DELIVERED. 5. Signature - Addressee 8. Addressee's Address (ONLY if requested and fee paid) 6. Signature - Agent P 735 034 306	delivered to and the date of delivery. For additional feel postmaster for feel and check box(es) for additional sen	s the following services are available. Consult vice(s) requested.
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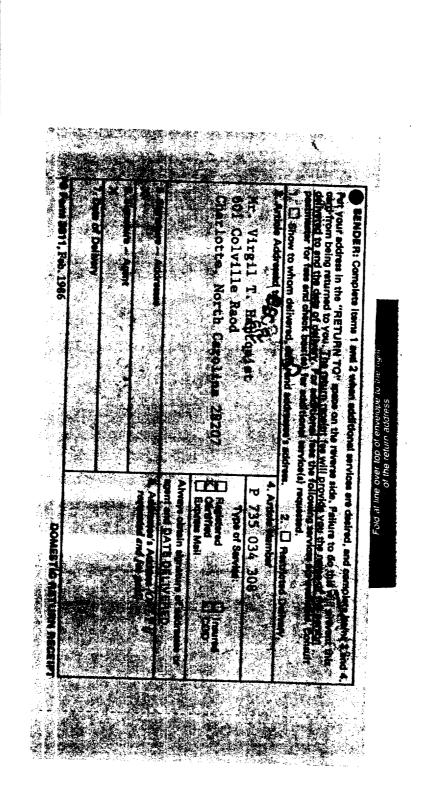
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April 21, 1988

Billie G. Robinson P. O. Box 1281 Santa Fe, New Mexico 87501

Subject: Application for Order Approving Voluntary Reformation of Non-Standard Oil Spacing and Proration Unit Hixon Development Company Tapacitos Well No. 2 Section 25, T26N, R2W Rio Arriba Co., New Mexico

Ladies/Gentlemen:

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HixonDevelopment

Billie G. Robinson April 21, 1988 Page 2

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If you should have any questions regarding this matter, please do not hesitate to call me at (505) 326-3325.

Very truly yours,

John C Carbett

John C. Corbett Vice President - Exploration

JCC/plc

xc: New Mexico Oil Conservation Division Attn: William J. LeMay, Division Director P. O. Box 2088 Santa Fe, New Mexico 87501-2088

CERTIFIED - RETURN RECEIPT REQUESTED P 735 034 307

SENDER: Complete Items 1 and 2 when additional services of the service of the ser	e side. Failure to do this will prevent this provide you the name of the person following services are available. Consult (s) requested.
3. Article Addressed to:	4. Article Number
Billie G. Robinson	P 735 034 307
P. O. Box 1281	Type of Service:
Santa Fe, New Mexico 87501	Registered Insured Certified COD Express Mail
	Always obtain signature of addressee or agent and DATE DELIVERED.
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PS Form 3811, Feb. 1986

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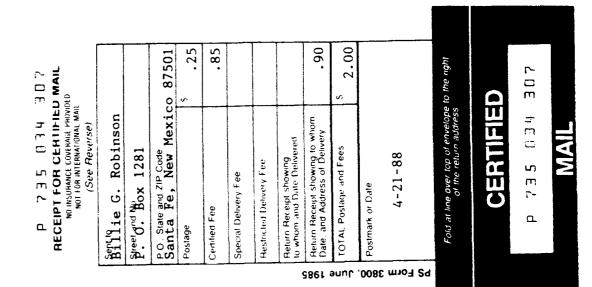
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April 21, 1988

Mr. Virgil T. Hartquist 601 Colville Road Charlotte, North Carolina 28207

Subject: Application for Order Approving Voluntary Reformation of Non-Standard Oil Spacing and Proration Unit Hixon Development Company Tapacitos Well No. 2 Section 25, T26N, R2W Rio Arriba Co., New Mexico

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Mr. Virgil T. Hartquist April 21, 1988 Page 2

If you should have any questions regarding this matter, please do not hesitate to call me at (505) 326-3325.

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Very truly yours,

John C. Corbett

John C. Corbett Vice President - Exploration

JCC/plc

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xc: New Mexico Oil Conservation Division Attn: William J. LeMay, Division Director P. O. Box 2088 Santa Fe, New Mexico 87501-2088

CERTIFIED - RETURN RECEIPT REQUESTED P 735 034 308

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PS Form 3811, Feb. 1986

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