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TONY ANAYA
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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

December 23, 1985

W. Thomas Kellahin
KELLAHIN & KELLAHIN
P.O. Box 2265
Santa Fe, NM 87504-2265

Re: CASE NO. 8686
Order No. R-8047

Dear Mr. Kellahin:

For the reasons outlined in your letter of December 20, 1985, Robert E. Chandler is hereby granted an extension of time to April 1, 1986, in which to begin a well on the unit pooled under terms of the subject order.

Sincerely,

R. L. STAMETS
Director

RLS/dp

cc: Jerry Sexton
Robert E. Chandler Corporation
341 Mid America Building
Midland, Texas 79701

BEFORE EXAMINER CATANACH	
OIL CONSERVATION DIVISION	
Chandler	EXHIBIT NO. 3
CASE NO.	8859

can file

Jason Kellahin
W. Thomas Kellahin
Karen Aubrey

KELLAHIN and KELLAHIN
Attorneys at Law
El Patio - 117 North Guadalupe
Post Office Box 2265
Santa Fe, New Mexico 87504-2265

Telephone 982-4285
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RECEIVED

December 20, 1985

DEC 21 1985

OIL CONSERVATION DIVISION

Mr. Richard L. Stamets
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

"Hand Delivered"

Re: Application of Robert E. Chandler
for Compulsory Pooling, NE/4SW/4
Sec 7, T22S, R38E, NMPM, Lea County,
New Mexico, NMOCD Case 8686
Order R-8047

Dear Mr. Stamets:

On behalf of Robert E. Chandler, the applicant in the referenced pooling case, we respectfully request an extension of the drilling commencement date under the referenced order from December 31, 1985 to April 1, 1986, and as grounds therefore state:

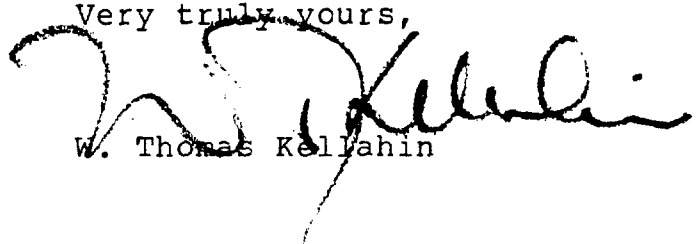
- (1) That Sun Exploration & Production Corporation is the interest being pooled and that the Sun interest is part of litigation with Doyle Hartman;
- (2) That the Sun-Hartman litigation is in the process of being settled and upon settlement, Mr. Chandler anticipates that he may be able to obtain 100% voluntary joinder in the subject well which will allow him to re-allocate the risk without resorting to the pooling order;
- (3) That the possible settlement and joinder may not occur in all probability until after December 31, 1985; and
- (4) In the event a voluntary agreement cannot be reached, Applicant will still need the pooling order.

KELLAHIN and KELLAHIN

Mr. Richard L. Stamets
December 20, 1985
Page 2

Wherefore, Applicant requests an extension of order R-8047 until April 1, 1986, in order to take full opportunity of the possibility that a voluntary unit can be formed without resorting to the pooling order.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'W. Thomas Kellahin', is written over the typed name. The signature is fluid and cursive, with a large initial 'W' and a long, sweeping tail.

W. Thomas Kellahin

WTK:ca

cc: Robert E. Chandler
Robert E. Chandler Corporation
341 Mid America Building
Midland, Texas 79701