

January 25, 2005

HAND DELIVERY

Mark E. Fesmire, P. E.
Director
Oil Conservation Division
New Mexico Energy, Minerals and
Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Case 13430

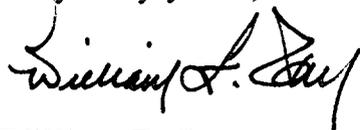
2005 JAN 26 AM 10 22

Re: Application of The Redmon Oil Company, Inc. for compulsory pooling, Lea County, New Mexico.

Dear Mr. Fesmire:

Enclosed is the Application of The Redmon Oil Company, Inc. in the above-referenced case as well as a copy of the legal advertisement. The Redmon Oil Company, Inc. requests that this matter be placed on the February 17, 2005 Examiner Hearing docket.

Very truly yours,



William F. Carr

Enclosures

cc: Steven C. Haworth, Esq.
5919 Greenville Avenue, No. 409
Dallas, Texas 75206-1906

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

**IN THE MATTER OF THE APPLICATION OF THE REDMON OIL COMPANY, INC.,
FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.**

CASE NO. 13430

APPLICATION

The Redmon Oil Company, Inc. ("Redmon"), through its undersigned attorneys, hereby makes application pursuant to the provisions of N.M.Stat. Ann. §70-2-17, (1978), for an order pooling all mineral interests in all formations from the surface to the base of the Ellenberger formation in the following described spacing and proration units located in Section 8, Township 22, South, Range 38 East, NMPM, Lea County, New Mexico: the N/2 for all formations and/or pools developed on 320-acre spacing; the NE/4 for all formations and/or pools developed on 160-acre spacing which includes but is not limited to the Undesignated South Brunson-Drinkard-Abo Pool and the Undesignated Tubb Oil and Gas Pool; and the SW/4 NE/4 for all formations and/or pools developed on 40-acre spacing which includes but is not necessarily limited to the Undesignated Wantz-Granite Wash Pool, Undesignated South Brunson Drinkard-Abo Pool, Undesignated Tubb Oil and Gas Pool, Undesignated Blinebry Oil and Gas Pool and Undesignated Paddock Pool, and in support of its application states:

1. Redmon is a working interest owner in the N/2 of Section 8, Township 22 South, Range 38 East, NMPM, on which is located the Brabant Well No. 1 at a standard oil and gas well location 1980 feet from the North and East lines (Unit G) of the section that was drilled by OXY USA WTP Limited Partnership in 2003 and has been plugged and abandoned.

2. Redmon proposes to re-enter the well and attempt to re-complete the well in any and all formations.

3. Redmon has sought and been unable to obtain a voluntary agreement for the development of this acreage from the owners of certain interests, including the owners of unleased mineral interests, in the N/2 of Section 8 to whom notice of this application will be provided in accordance with the rules of the Division.

3. Said pooling interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

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4. In order to permit Redmon to obtain its just and fair share of the oil and gas underlying the subject lands, all mineral interests should be pooled, and Redmon should be the designated operator of the well.

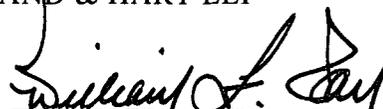
WHEREFORE, The Redmon Oil Company, Inc., requests that this application be set for hearing before an Examiner of the Oil Conservation Division on February 17, 2005, and after notice and hearing as required by law, the Division enter its order:

- A. Pooling all mineral interests in the subject spacing and proration units,
- B. Designating The Redmon Oil Company, Inc., operator of the unit and the well to be drilled thereon,
- C. Authorizing Redmon to recover its costs of drilling, equipping and completing the well,
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures, and
- E. Imposing a 200% penalty for the risk assumed by Redmon in drilling and completing the well against any working interest owner and any unleased mineral interest owner who does not voluntarily participate in this well.

Respectfully submitted,

HOLLAND & HART LLP

By:



William F. Carr
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

ATTORNEYS FOR THE REDMON OIL
COMPANY, INC.

EXHIBIT A

NOTIFICATION LIST

**Application of The Redmon Oil Company, Inc.
for compulsory pooling
N/2 Section 8
Township 22 South, Range 38 East, NMPM
Lea County, New Mexico.
(Barbant Well No. 1)**

The Fasken Foundation
500 West Texas, Suite 1160
Midland, Texas 79701

Maecenas Minerals, L.L.P.
Post Office Box 176
Abilene, Texas 79604

Republic Royalty company
3738 Oak Lawn Ave., suite 300
Dallas, Texas 75219

Mr. Warren Akers
2465 Mustang Drive
Arroyo Grande, California 93420

Ms. Lori Jean Houston
1298 Locust Street, Apt. 45
Willits, California 95490



January 26, 2005

CERTIFIED MAIL- RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

Re: Application of The Redmon Oil Company, Inc. for compulsory pooling, Lea County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that The Redmon Oil Company, Inc. ("ROCO") has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order pooling all mineral interests from the surface to the base of the Ellenberger formation in the following described acreage in Section 8, Township 22 South, Range 38 East, NMPM: the N/2 for all formations and/or pools developed on 320-acre spacing; the NE/4 for all formations and/or pools developed on 160-acre spacing which includes but is not limited to the Undesignated South Brunson-Drinkard-Abo Pool and the Undesignated Tubb Oil and Gas Pool; and the SW/4 NE/4 for all formations and/or pools developed on 40-acre spacing which includes but is not necessarily limited to the Undesignated Wantz-Granite Wash Pool, Undesignated South Brunson-Drinkard-Abo Pool, Undesignated Tubb Oil and Gas Pool, Undesignated Blinebry Oil and Gas Pool and Undesignated Paddock Pool. Said units are to be dedicated to ROCO's Brabant Well No. 1 to be re-entered and re-completed at a location 1980 feet from the North and East lines (Unit G) of said Section 8.

This application has been set for hearing before a Division Examiner on February 17, 2005. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 1208.B to file a Pre-hearing Statement three days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

Very truly yours,

William F. Carr

ATTORNEY FOR THE REDMON OIL COMPANY, INC.