KELLAHIN and KELLAHIN

Attorneys at Law

El Patio - 117 North Guadalupe Post Office Box 2265

Santa Fe, New Mexico 87504-2265

Telephone 982-4285 Area Code 505

September 6, 1983

SEP 8 1983

Mr. Joe D. Ramey Director Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Case 7970

Re: Belco Petroleum Corporation

Dear Mr. Ramey:

Please set the enclosed application for hearing at the next available examiner docket of September 28, 1983.

Very truly yours,

W. Thomas Kellahin

WTK:ca

Enc.

Jason Kellahin

Karen Aubrey James B. Grant

W. Thomas Kellahin

cc: Mr. James J. Moore (Belco) W/enc.

Mr. Don Peters (Belco) W/enc.

Mr. Stanford Clinton, Jr. W/enc.

#### STATE OF NEW MEXICO

# DEPARTMENT OF ENERGY AND MINERALS

#### OIL CONSERVATION DIVISION

ONSEDAVLION DIAISION

IN THE MATTER OF THE APPLICATION OF BELCO PETROLEUM CORPORATION FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

SEP 8 1983

Case 7970

## APPLICATION

COMES NOW BELCO PETROLEUM CORPORATION, by and through its attorneys, and applies to the New Mexico Oil Conservation Division for an order pooling all of the mineral interests underlying the W/2SW/4 of Section 18, T17S, R39E, Lea County, New Mexico and in support thereof would state:

- 1. Applicant is the operator of the W/2SW/4 of Section 18, T17S, R39E, NMPM, Lea County, New Mexico.
- 2. Applicant proposes to drill a Devonian test to approximately 12,200 feet in the South-Knowles Devonian Oil Pool.
- 3. Applicant will dedicate the W/2SW/4 of said Section 18 to the well.
- 4. Applicant has obtained the voluntary cooperation and participation of all working interest owners in the

subject proration and spacing unit with the exception of:

<u>NAME</u>

Stanford Clinton, Jr.

P. 0. Box 25015

Jackson, WY 83001

INTEREST

1.040625%

- 5. Applicant desires to be designated operator.
- 6. To avoid the drilling of unnecessary wells, to protect correlative rights and to afford to the owner of each interest in said unit the opportunity to recover or receive without unnecessary expense his just and fair share of the oil in said unit, all mineral interests, whatever they may be, underlying the W/2SW/4 of said Section 18, should be pooled.
- 7. That any non-consenting working interest owner that does not pay his share of estimated well costs should have withheld from production his share of the reasonable well costs, plus an additional 200% thereof as a reasonable charge for the risk involved in the drilling of the well.
- 8. Applicant should be authorized to withhold from production the proportionate share of a reasonable supervision charge for drilling and producing wells attributable to each non-consenting working interest owner.

WHEREFORE, Applicant prays that:

- A. This application be set for hearing before an examiner and that notice of said hearing to be given as required by law.
- B. Upon hearing the Division enter its order pooling all mineral interests, whatever they may be, underlying the

W/2SW/4 of said Section 18, Township 17 South, Range 39 East, NMPM, Lea County, New Mexico, to form a 80 acre spacing unit dedicated to Applicant's well.

C. And for such other relief as may be just in the premises.

KELLAHIN & KELLAHIN

P. O. Box 2265 Santa Fe, NM 87504-2265

Attorneys for Applicant

STATE OF NEW MEXICO

## DEPARTMENT OF ENERGY AND MINERALS

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF BELCO PETROLEUM CORPORATION FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

thereof would state:

SEP 8 1983 Case 7970

## APPLICATION

COMES NOW BELCO PETROLEUM CORPORATION, by and through its attorneys, and applies to the New Mexico Oil Conservation Division for an order pooling all of the mineral interests underlying the W/2SW/4 of Section 18, T17S, R39E, Lea County, New Mexico and in support

- 1. Applicant is the operator of the W/2SW/4 of Section 18, T17S, R39E, NMPM, Lea County, New Mexico.
- 2. Applicant proposes to drill a Devonian test to approximately 12,200 feet in the South-Knowles Devonian Oil Pool.
- 3. Applicant will dedicate the W/2SW/4 of said Section 18 to the well.
- 4. Applicant has obtained the voluntary cooperation and participation of all working interest owners in the

subject proration and spacing unit with the exception of:

NAME
ADDRESS
INTEREST

Stanford Clinton, Jr.

P. O. Box 25015
Jackson, WY 83001

1.040625%

- 5. Applicant desires to be designated operator.
- 6. To avoid the drilling of unnecessary wells, to protect correlative rights and to afford to the owner of each interest in said unit the opportunity to recover or receive without unnecessary expense his just and fair share of the oil in said unit, all mineral interests, whatever they may be, underlying the W/2SW/4 of said Section 18, should be pooled.
- 7. That any non-consenting working interest owner that does not pay his share of estimated well costs should have withheld from production his share of the reasonable well costs, plus an additional 200% thereof as a reasonable charge for the risk involved in the drilling of the well.
- 8. Applicant should be authorized to withhold from production the proportionate share of a reasonable supervision charge for drilling and producing wells attributable to each non-consenting working interest owner.

WHEREFORE, Applicant prays that:

- A. This application be set for hearing before an examiner and that notice of said hearing to be given as required by law.
- B. Upon hearing the Division enter its order pooling all mineral interests, whatever they may be, underlying the

W/2SW/4 of said Section 18, Township 17 South, Range 39 East, NMPM, Lea County, New Mexico, to form a 80 acre spacing unit dedicated to Applicant's well.

C. And for such other relief as may be just in the premises.

KELLAHIN & KELLAHIN

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

Attorneys for Applicant