

CAMPBELL, BYRD & BLACK, P.A.

LAWYERS

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September 30, 1983

Mr. Joe D. Ramey, Director  
Oil Conservation Division  
New Mexico Department of Energy  
& Minerals  
Post Office Box 2088  
Santa Fe, New Mexico 87501

OIL CONSERVATION DIVISION

SEP 30 1983

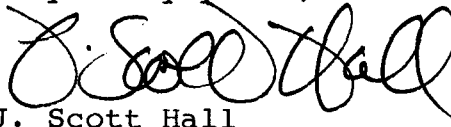
Re: Application of Chama Petroleum Company for  
compulsory pooling, Eddy County, New Mexico

RECEIVED

Dear Mr. Ramey:

Enclosed in triplicate is the Amended Application of Chama Petroleum Company in the above-referenced proceeding. The original application herein was submitted on September 21, 1983, and is now scheduled to be included on the docket for the examiner hearing on October 12, 1983. Thank you kindly.

Very truly yours,

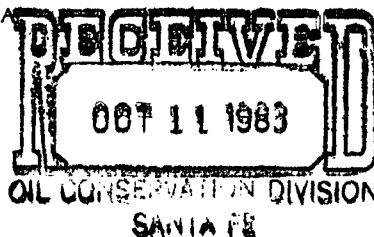
  
J. Scott Hall

WGW:rr  
Enclosures

cc: Mr. Mark Nearburg

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October 6, 1983

Joe D. Ramey, Director  
Oil Conservation Division  
New Mexico Department of  
Energy and Minerals  
Post Office Box 2088  
Santa Fe, New Mexico 87501

*BR*

Re: Case 7977: Application of Chama Petroleum Company for  
Compulsory Pooling, Eddy County, New Mexico.

Dear Mr. Ramey:

Chama Petroleum Company hereby requests that the  
above-referenced case be continued to the Examiner Hearing  
scheduled for October 26, 1983.

Your attention to this request is appreciated.

Very truly yours,

*William F. Carr*  
William F. Carr

WFC:ndb

cc: Mr. Mark Nearburg

BEFORE THE  
OIL CONSERVATION DIVISION  
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

SEP 30 1983

RECEIVED

IN THE MATTER OF THE APPLICATION  
OF CHAMA PETROLEUM COMPANY FOR  
COMPULSORY POOLING, EDDY COUNTY,  
NEW MEXICO

CASE 2922

AMENDED APPLICATION

COMES NOW, CHAMA PETROLEUM COMPANY, by and through the undersigned counsel and, as provided by §70-2-17, New Mexico Statutes Annotated, 1978 Compilation, hereby makes amended application supplementing the original application filed herein on September 21, 1983, for an order pooling all of the mineral interests in all formations from the surface to the base of the Mississippian formation, including the Morrow, Strawn, Cisco Canyon, Bone Springs, Victorio Peak, Abo, Glorieta, Yeso, San Andres, and Grayberg formations in and under the N/2 of Section 8, T19S, R26E, N.M.P.M., Eddy County, New Mexico, and in support thereof would show the Division:

1. The percentage of the working interest owned or represented by the applicant Chama Petroleum Company in and under those tracts within the N/2 of Section 8 upon which the applicant has the right to drill, are as follow: NE/4 NW/4 - 37.5%; N/2 NW/4 - 50%; NW/4 - 37.5%; N/2 - 56.76875%.

2. The applicant proposes to dedicate the above referenced pooled lands to a well to be drilled at a standard location in the N/2 of said Section 8.

3. With the exception of the interests of the applicant, interest owners who have not agreed to the pooling of their interests for the drilling of the proposed well are indicated, along with their respective ownership percentages, on Exhibit "A", attached.

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

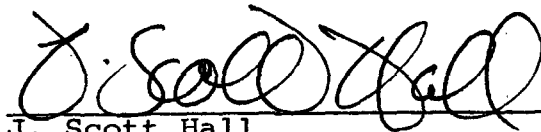
5. In order to permit the applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interests should be pooled, and applicant should be designated the operator of the well to be drilled.

WHEREFORE, applicant prays that this Amended Application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions for applicant to recover its costs of drilling, equipping and completing the well, and its costs of supervision while drilling, and after completion, including overhead charges, and imposing a risk factor for the risk assumed by the applicant in drilling, completing and equipping the well, and making such other and further provisions as may be proper in the premises.

Respectfully submitted;

CAMPBELL, BYRD & BLACK, P.A.

By:

A handwritten signature in black ink, appearing to read "J. Scott Hall", written over a horizontal line.

J. Scott Hall  
Post Office Box 2208  
Santa Fe, New Mexico 87501  
Telephone: (505) 988-4421

ATTORNEYS FOR APPLICANT

Sec. 8, 19S, 26E  
Eddy County, New Mexico

WORKING INTEREST

|                                     | <u>Net Acres</u> | <u>Gross Acres</u> | <u>W.I.</u>      |
|-------------------------------------|------------------|--------------------|------------------|
| <u>NE1/4 NW1/4 Sec. 8, 19S, 26E</u> |                  |                    |                  |
| Chama Petroleum Company             | 15.000           | 40.00              | 37.5000%         |
| D. Letizio                          | 10.000           |                    | 25.0000%         |
| Yates Petroleum Corporation         | 5.000            |                    | 12.5000%         |
| Martin Yates, III & Lillie M. Yates | 2.250            |                    | 5.6250%          |
| Ralph Nix & Francis Nix             | 2.250            |                    | 5.6250%          |
| Essie G. Nix                        | 2.250            |                    | 5.6250%          |
| Jonell Jones Gilmore                | 1.125            |                    | 2.8125%          |
| Stanley L. Jones & Betty Jones      | 1.125            |                    | 2.8125%          |
| Carol Sue Sanford Garrett           | .500             |                    | 1.2500%          |
| Barbara Ann Quail Malone            | .500             |                    | 1.2500%          |
|                                     | <u>40.000</u>    | <u>40.00</u>       | <u>100.0000%</u> |

N1/2 NW1/4 Sec. 19S, 26E

|                                     |               |              |                  |
|-------------------------------------|---------------|--------------|------------------|
| Chama Petroleum Company             | 40.000        | 80.00        | 50.0000%         |
| D. Letizio                          | 10.000        |              | 12.5000%         |
| Yates Petroleum Corporation         | 5.000         |              | 6.2500%          |
| Martin Yates, III & Lillie M. Yates | 6.000         |              | 7.5000%          |
| Ralph Nix & Frances Nix             | 6.000         |              | 7.5000%          |
| Essie G. Nix                        | 6.000         |              | 7.5000%          |
| Jonell Jones Gilmore                | 3.000         |              | 3.7500%          |
| Stanley L. Jones & Betty Jones      | 3.000         |              | 3.7500%          |
| Carol Sue Sanford Garrett           | .500          |              | .6250%           |
| Barbara Ann Quail Malone            | .500          |              | .6250%           |
|                                     | <u>80.000</u> | <u>80.00</u> | <u>100.0000%</u> |

NW1/4 Sec. 8, 19S, 26E

|                                     |                |               |                    |
|-------------------------------------|----------------|---------------|--------------------|
| Chama Petroleum Company             | 60.000         | 160.00        | 37.500000%         |
| D. Letizio                          | 10.000         |               | 6.250000%          |
| Yates Petroleum Company             | 5.000          |               | 3.125000%          |
| Martin Yates, III & Lillie M. Yates | 5.000          |               | 12.968750%         |
| Ralph Nix & Francis Nix             | 20.750         |               | 12.968750%         |
| Essie G. Nix                        | 20.750         |               | 12.968750%         |
| Jonell Jones Gilmore                | 10.375         |               | 6.484375%          |
| Stanley L. Jones & Betty Jones      | 10.375         |               | 6.484375%          |
| Carol Sue Sanford Garrett           | 1.000          |               | .625000%           |
| Barbara Ann Quail Malone            | 1.000          |               | .625000%           |
|                                     | <u>160.000</u> | <u>160.00</u> | <u>100.000000%</u> |

EXHIBIT "A"

Sec. 8, 19S, 26E

Eddy County, New Mexico

WORKING INTEREST

|                                     | <u>Net Acres</u> | <u>Gross Acres</u> | <u>W.I.</u>         |
|-------------------------------------|------------------|--------------------|---------------------|
| <u>N 1/2 Sec. 8, 19S, 26E</u>       |                  |                    |                     |
| Chama Petroleum Company             | 181.660          | 320.00             | 56.7687500%         |
| D. Letizio                          | 10.000           |                    | 3.1250000%          |
| Yates Petroleum Corporation         | 5.000            |                    | 1.5625000%          |
| Martin Yates, III & Lillie M. Yates | 26.420           |                    | 8.2562500%          |
| Ralph Nix & Francis Nix             | 31.420           |                    | 9.8187500%          |
| Essie G. Nix                        | 26.420           |                    | 8.2562500%          |
| Jonell Jones Gilmore                | 13.208           |                    | 4.1275000%          |
| Stanley L. Jones & Betty Jones      | 13.208           |                    | 4.1275000%          |
| Carol Sue Sanford Garrett           | 3.000            |                    | .9375000%           |
| Barbara Ann Quail Malone            | 3.000            |                    | .9275000%           |
| John Gates & Jean Gates             | 3.335            |                    | 1.0421875%          |
| Jack McCaw and Mary Ann McCaw       | 3.335            | 320.00             | 1.0421875%          |
|                                     | <u>320.006</u>   | <u>320.00</u>      | <u>100.0018750%</u> |

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Artesia, New Mexico 88210

Jack McCaw  
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Artesia, New Mexico 88210

John Gates  
c/o Jack McCaw  
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Artesia, New Mexico 88210

Essie G. Nix, Ralph Nix and Frances Nix  
c/o Bill McCaw  
Ralph Nix Company  
Post Office Box 617  
Artesia, New Mexico 88210

Carol Sue Sanford Garrett & Barbara Ann Quail Malone  
c/o Keith F. Quail  
Post Office Box 2366  
Prescott, Arizona 86302

Stanley L. Jones and Betty Jones  
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Roswell, New Mexico 88201

Jonell Jones Gilmore  
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Yates Petroleum Corporation  
c/o Jack McCaw  
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