PROPOSED ADVERTISEMENT

Case No. 20290 :

Application of Kaiser-Francis Oil Company for a compulsory pooling, Eddy County, New Mexico. Kaiser-Francis Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying spacing and proration unit in the Wolfcamp formation comprised of the SE/4 of Section 20 and the SW/4 of Section 21, Township 23 South, Range 28 East, NMPM. The unit will be dedicated to: (a) the Loving Townsite 2021 WC Well No. 1H, with a first take point in the NW/4SE/4 of Section 20 and a final take point in the NE/4SW/4 of Section 21; (b) the Loving Townsite 2021 WA Well No. 1H, a with a first take point in the NW/4SE/4 of Section 20 and a final take point in the NE/4SW/4 of Section 21; (c) the Loving Townsite 2021 WC Well No. 2H, well with a first take point in the SW/4SE/4 of Section 20 and a final take point in the SE/4SW/4 of Section 21; and (d) the Loving Townsite 2021 WA Well No. 2H, with a first take point in the SW/4SE/4 of Section 20 and a final take point in the SE/4SW/4 of Section 21. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The unit is located in the center of Loving, New Mexico.