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September 16, 2003

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SEP 16 2003
Oil Conservation Division

Hand Delivered

Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed are an original and one copy of four applications for compulsory pooling, together with proposed advertisements, filed on behalf of Sunlight Exploration, Inc. Please set these matters for the October 9, 2003 Examiner hearing. Thank you.

The advertisements are also on the enclosed disk.

Very truly yours,


James Bruce

Attorney for Sunlight Exploration, Inc.

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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Oil Conservation Division

APPLICATION OF SUNLIGHT EXPLORATION,
INC. FOR COMPULSORY POOLING, LEA
COUNTY, NEW MEXICO.

No. 13159

APPLICATION

Sunlight Exploration, Inc. applies for an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 14, Township 13 South, Range 38 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

1. Applicant is the operator of the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 14, and has the right to re-enter or drill a well thereon.

2. Applicant proposes to re-enter the V. Linam Well No. 1, located 660 feet from the north and west lines of Section 14, and seeks to dedicate the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 14 to the well for all pools or formations developed on 40 acre spacing, including the Bronco-Wolfcamp Pool.

3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 14 for the purposes set forth herein.

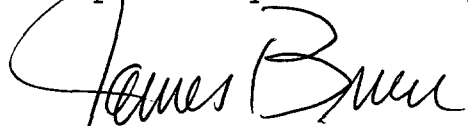
4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the re-entry and drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 14, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests underlying the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 14 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, Applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interests in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 14, from the surface to the base of the Wolfcamp formation;
- B. Designating applicant as operator of the well;
- C. Considering the cost of re-entering, drilling, and completing the well, and allocating the cost thereof among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting those rates as provided in the COPAS accounting procedure;
- E. Setting a charge for the risk involved in re-entering, drilling, and completing the well in the event a working interest owner elects not to participate in the well; and
- F. Granting such further relief as the Division deems proper.

Respectfully submitted,



James Bruce
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Attorney for Sunlight Exploration,
Inc.

PROPOSED ADVERTISEMENT

Case 13159: Application of Sunlight Exploration, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 14, Township 13 South, Range 38 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any formations and/or pools developed on 40-acre spacing within that vertical extent, including the Bronco-Wolfcamp Pool. The unit is to be dedicated to the existing V. Linam Well No. 1, located 660 feet from the north and west lines of Section 14, which is to be re-entered. Also to be considered will be the cost of re-entering, drilling, and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for the risk involved in re-entering, drilling, and completing the well. The unit is located approximately 10 miles northeast of Prairieview, New Mexico.

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