

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION
OF ENRON OIL & GAS COMPANY
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

RECEIVED

SEP 12 1995

CASE NO. 11397

Oil Conservation Division

APPLICATION

ENRON OIL & GAS COMPANY, ("Enron"), 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 from the surface to the base of the Morrow formation underlying the S/2 of Section 12 all in Township 18 South, Range 29 East, in the following described manner: the S/2 forming a standard 320-acre spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated Sand Tank-Morrow Gas Pool; the SW/4 forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent; the E/2 SW/4 forming a standard 80-acre spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing within said vertical extent; and the SE/4 SW/4 forming a standard 40-acre spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, and in support thereof states:

1. Enron is a working interest owner in the S/2 of Section 12, on which it

proposes to drill its Sand Tank "12" Fed. Com. No. 1 Well to the Morrow formation, Undesignated Sand Tank-Morrow Gas Pool at an orthodox location 990 feet from the South line and 2145 feet from the West line of Section 12 to a depth sufficient to test any and all formations from the surface to the base of the Morrow formation.

2. Enron has sought and been unable to obtain either voluntary agreement for pooling or farmout from certain interest owners in the S/2 of said Section 12.

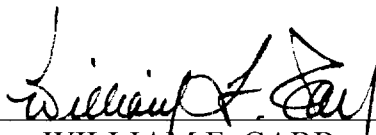
3. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

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

WHEREFORE, Enron Oil & Gas Company prays that this application be set for hearing before an Examiner of the Oil Conservation Division on October 5, 1995 and, after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions designating Enron operator of the S/2 of said Section 12, and authorizing Enron to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling and after completion, including overhead charges, imposing a risk factor for the risk assumed by the Applicant in drilling, completing and equipping the well.

Respectfully submitted,

CAMPBELL, CARR & BERGE, P.A.

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

ATTORNEYS FOR ENRON OIL & GAS
COMPANY