

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF PIONEER NATURAL
RESOURCES USA, INC. FOR
COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

No. 1782

APPLICATION

Pioneer Natural Resources USA, Inc. hereby makes application for an order pooling all mineral interests from the surface to the base of the ABO formation underlying those certain lands ("said lands") described as the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 18, Township 20 South, Range 39 East, N.M.P.M., Lea County, New Mexico, and in support thereof states:

1. Applicant is an interest owner and has the right to drill a well in said lands. Said lands are not located in any established oil or gas pool.

2. Applicant proposes to drill a well in said lands, at an orthodox surface location. The proposed well is to be drilled into the Blinebry, Tubb, Drinkard and ABO formations. The well will be drilled to a depth sufficient to test the ABO formation (approximately 8,000 feet).

3. Applicant seeks to dedicate said lands for all pools or formations spaced on 40 acres.

4. Applicant has in good faith sought to join all other mineral or leasehold interest owners in said lands for the purposes set forth herein.

5. Although Applicant attempted to obtain voluntary agreements from all mineral or leasehold interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating or committing their acreage. The names and addresses of those non-joining owners are listed on Exhibit "A" attached hereto. Therefore, Applicant seeks an order pooling all mineral and leasehold interest owners underlying the NE¼SW¼ of Section 18, as described above, pursuant to N.M. Stat. Ann. § 70-2-17 (1987 Repl.).

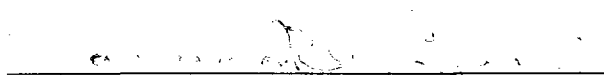
6. Applicant requests the Division to consider the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating charges and costs charged for supervision. Applicant requests that it be designated as operator of the well and that the Division set a penalty of 200% for the risk involved in drilling the well.

7. The pooling of all interests underlying the NE¼SW¼ of Section 18, as described above, will be in the interest of conservation, prevention of waste, and protection of correlative rights.

WHEREFORE, Applicant requests that the Division grant the relief requested above.

Respectfully submitted,

HINKLE, COX, EATON, COFFIELD
& HENSLEY, L.L.P.



Conrad E. Coffield
Post Office Box 2068
Santa Fe, New Mexico 87504-2068
(505) 982-4554

Attorneys for Applicant
Pioneer Natural Resources USA, Inc.

EXHIBIT "A"


Interest Owners:

Doyle Hartman and wife, Margaret Hartman
3811 Turtle Creek Boulevard, Suite 200
Dallas, Texas 75219

VERIFICATION

STATE OF NEW MEXICO)
) SS.
COUNTY OF SANTA FE)

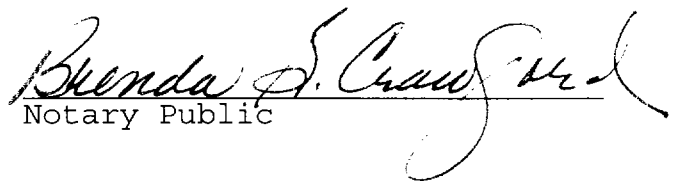
Conrad E. Coffield, being duly sworn upon his oath, deposes and states that: He is the attorney of record for Pioneer Natural Resources USA, Inc.; he is familiar with the matters set forth in the foregoing Application, and the statements therein are true and correct to the best of his knowledge.



Conrad E. Coffield

STATE OF NEW MEXICO)
) SS.
COUNTY OF SANTA FE)

SUBSCRIBED AND SWORN TO before me this 2nd day of February, 1998, by Conrad E. Coffield.



Notary Public

My Commission Expires:

10-29-99

PROPOSED ADVERTISEMENT

Case 1952: Application of Pioneer Natural Resources USA, Inc. for an Order granting dedication for all pools or formations described herein in Lea County, New Mexico. Applicant seeks approval of an area comprising 40 acres, more or less, of fee lands consisting of the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Sections 18, Township 20 South, Range 39 East, NMPM. Said unit area is centered approximately 4 1/2 miles southeast of Nadine, New Mexico.