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4-26-99

**JAMES BRUCE**  
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April 21, 1999

Via Fax and U.S. Mail

Florene Davidson  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed for filing in Cases 12,163-12,165 is a Motion to Dismiss by Samson Resources Company. Please see that a copy is delivered to the appropriate hearing examiner. Thank you.

Very truly yours,

  
James Bruce  
Attorney for Samson Resources Company

cc: William F. Carr w/encl. (via fax)

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF SHACKLEFORD OIL  
COMPANY FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

Case No. 12,163

APPLICATION OF SHACKLEFORD OIL  
COMPANY FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

Case No. 12,164

APPLICATION OF SHACKLEFORD OIL  
COMPANY FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

Case No. 12,165

MOTION TO DISMISS

Samson Resources Company ("Samson") moves the Division for an order dismissing the above applications, and in support thereof, states:

1. The above applications were filed by Shackleford Oil Company ("Shackleford") on or about March 23, 1999, and were originally scheduled for the April 15, 1999 Examiner hearing. The applications are currently set on the April 29, 1999 docket.

2. Samson owns working interests in the three well units which are the subject of the above applications. Affidavit of Jay Miller, ¶3 (attached hereto as Exhibit A).

3. Compulsory pooling is permissible where there are undivided interests in a well spacing unit. NMSA 1978 §70-2-17.C (1996). However, the operator of a proposed well must make a good faith effort to obtain the voluntary joinder of the interest owners in the well. NMSA 1978 §70-2-18 (1996). The Division has held, in a number of cases, that this requirement is only met by an operator sending a proposal letter for a specific well, with an AFE enclosed, at least 30 days before a pooling application is filed,

together with follow-up discussions among the parties.

4. Shackelford did not send proposal letters to Samson regarding the subject wells until after the applications were filed. In fact, Samson did not receive well proposals until April 20, 1999, which is after the original hearing date. Exhibit A, ¶4.

5. As a result of the foregoing, Shackelford did not comply with statutory requirements and Division policy on compulsory pooling, and the above applications must be dismissed to allow time for good faith negotiations among the interest owners in the proposed wells.

WHEREFORE, Samson requests that the above applications be dismissed.



James Bruce  
Post Office Box 1056  
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(505) 982-2043

Attorney for Samson Resources Company

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Entry of Appearance was sent by United States Mail and facsimile transmission this 21<sup>st</sup> day of April, 1999 to:

William F. Carr  
Campbell, Carr, Berge & Sheridan, P.A.  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
(505) 983-6043



James Bruce

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF SHACKLEFORD OIL COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case No. 12,163

APPLICATION OF SHACKLEFORD OIL COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case No. 12,164

APPLICATION OF SHACKLEFORD OIL COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case No. 12,165

AFFIDAVIT OF JAY MILLER

STATE OF OKLAHOMA )  
 ) ss.  
COUNTY OF TULSA )

Jay Miller, being duly sworn upon his oath, deposes and states:

- 1. I am over the age of 18, and have personal knowledge of the matters stated herein.
- 2. I am a landman for Samson Resources Company ("Samson").
- 3. Samson owns a working interest in each of the well units which are the subject of the above applications.
- 4. Samson did not receive well proposals and AFE's from Shackelford Oil Company regarding the above applications until April 20, 1999.

Jay Miller  
Jay Miller

SUBSCRIBED AND SWORN TO before me this 21st day of April, 1999, by Jay Miller.

Judy McEwen  
Notary Public

My Commission Expires:  
9-23-99

