BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF:

THE APPLICATION OF SOUTHWEST) PRODUCTION COMPANY FOR AN ORDER) FORCE POOLING THE BASIN-DAKOTA) FORMATION UNDERLYING THE EAST) HALF (E/2) OF SECTION 3, TOWNSHIP) 30 NORTH, RANGE 11 WEST, SAN) JUAN COUNTY, NEW MEXICO.)

NO ._____

POOLING APPLICATION

Comes now the applicant, Southwest Production Company, a co-partnership consisting of Joseph P. Driscoll and John H. Hill, and for its application alleges and states:

1. That it is the owner of oil and gas leases covering portions of the East Half (E/2) of Section 3, Township 30 North, Range 11 West, N. M. P. M., in San Juan County, New Mexico, and that it has drilled and completed a well in the Dakota formation in the East Half (E/2) of said Section 3, 845 feet from the North line and 835 feet from the East Line.

2. That the NE/4 NE/4 of the above described Section 3 is unleased, whose owners, Tom Bolack and Alice Bolack, his wife, have refused to join with the applicant in the drilling, completion and producing of the above described well and, although the applicant has made a reasonable effort to obtain oil and gas leases and/or the joinder of the owners of the unleased portion of the above described proration unit, it has been unable to obtain such leases and/or the joinder of the owners of the unleased portion of said unit, and the applicant, therefore, desires that the interest of said persons be force pooled in accord with the statutes of the State of New Mexico and the rules and regulations of the Oil Conservation Commission of the State of New Mexico.

3. That applicant desires to dedicate the Basin-Dakota production from the above described well located in the above described Section 3 to the entire East Half (E/2) of Section 3, and that the Commission should constitute the applicant as the "Operator" of the pooled unit.

4. That applicant has undergone considerable risk in the drilling and completion of the above referred to well, and that under the statutes of the State of New Mexico and the rules and regulations of the Oil Conservation Commission applicant is entitled to, and should be allowed to take and receive 7/8ths of any and all production had from the above referenced well until such time as it has been reimbursed in an amount equal to 125% of its actual cost of drilling, completing and equipping said well, plus a reasonable compensation for the supervision of the drilling and completion thereof, and a reasonable compensation for the operation thereof.

5. That the force pooling order herein requested is necessary in order to prevent waste and in order to protect the correlative rights of the parties.

6. That a list of the interested parties in this application, together with their addresses, insofar as the same are known to the applicant, is set out on Exhibit "A" attached hereto and made a part hereof.

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WHEREFORE, applicant prays that this application be set down for hearing at the earliest possible date, that due notice thereof be given in accord with the rules and regulations of this Commission, and the laws of the State of New Mexico, and that after hearing, from the evidence to be adduced thereat this Commission enter its order granting the application as above stated.

Respectfully submitted,

VERITY, BURR, COOLEY & JONES

Cooley Attorneys for applicant Southwest Production Company

Tom Bolack and Alice Bolack 10 10 N. Dustin Avenue Farmington, New Mexico BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF:

THE APPLICATION OF SOUTHWEST
PRODUCTION COMPANY FOR AN ORDER
FORCE POOLING THE BASIN-DAKOTA
FORMATION UNDERLYING THE EAST
HALF (E불) OF SECTION 3, TOWNSHIP
30 NORTH, RANGE 11 WEST, SAN
30 NORTH, RANGE 11 WEST, SAN JUAN COUNTY, NEW MEXICO.

No._ 269

POOLING APPLICATION

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Comes now the applicant, Southwest Production Company, a copartnership consisting of Joseph P. Driscoll and John H. Hill, and for its application alleges and states:

1. That it is the owner of oil and gas leases covering portions of the East Half $(E\frac{1}{2})$ of Section 3, Township 30 North, Range 11 West, N.M.P.M., in San Juan County, New Mexico, and that it has drilled and completed a well in the Dakota formation in the East Half $(E\frac{1}{2})$ of said Section 3, 845 feet from the North line and 835 feet from the East line.

2. That there are various parts of the East Half $(E_2^{\frac{1}{2}})$ of the above described Section 3 that are unleased, whose owners have not agreed to join with the applicant in the drilling, completion and producing of the above described well and, although the applicant has made a reasonable effort to obtain oil and gas leases and/or the joinder of the owners of the unleased portions of the above described proration unit, it has been unable to obtain such leases and/or the joinder of the owners of the unleased portions of said unit, and the applicant, therefore, desires that the interest of any and all of said persons be force pooled in accord with the statutes of the Oil Conservation Commission of the State of New Mexico.

3. That applicant desires to dedicate the Basin-Dakota production

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from the above described well located in the above described Section 3 to the entire East Half $(E\frac{1}{2})$ of Section 3, and that the Commission should constitute the applicant as the "Operator" of the pooled unit.

4. That applicant has undergone considerable risk in the drilling and completion of the above referred to well, and that under the statutes of the State of New Mexico and the rules and regulations of the Oil Conservation Commission applicant is entitled to, and should be allowed to take and receive 7/8ths of any and all production had from the above referenced well until such time as it has been reimbursed in an amount equal to <u>125%</u> of its actual cost of drilling, completing and equipping said well, plus a reasonable compensation for the supervision of the drilling and completion thereof, and a reasonable compensation for the operation thereof.

5. That the force pooling order herein requested is necessary in order to prevent waste and in order to protect the correlative rights of the parties.

6. That a list of the interested parties in this application, together with their addresses, insofar as the same are known to the applicant, is set out on Exhibit "A" attached hereto and made a part hereof.

WHEREFORE, applicant prays that this application be set down for hearing at the earliest possible date, that due notice thereof be given in accord with the rules and regulations of this Commission, and the laws of the State of New Mexico, and that after hearing, from the evidence to be adduced thereat this Commission enter its order granting the application as above stated.

Respectfully submitted,

VERITY, BURR & COOLEY Verit

Attorneys for applicant Southwest Production Company

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EXHIBIT "A"

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BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

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THE APPLICATION OF SOUTHWEST PRODUCTION COMPANY FOR AN ORDER FORCE POOLING THE BASIN-DAKOTA FORMATION UNDERLYING THE EAST HALF (E/2) OF SECTION 3, TOWNSHIP 30 NORTH, RANGE 11 WEST, SAN JUAN COUNTY, NEW MEXICO.

No.____

DISMISSAL

COMES NOW the applicant, Southwest Production Company, a co-partnership consisting of Joseph P. Driscoll and John H. Hill, and moves the Commission to dismiss the above styled and numbered pooling application.

Respectfully submitted,

VERITY, BURR, COOLEY & JONES

By

Geo. L. Verity Attorneys for applicant Southwest Production Company