Notes on Compulsory Pooling

200 - max risk
0 % - no risk

Pooling the Working Interest owners.

For whole well, not for indiv. Zones or pools.

Ex @ 200% risk factor
Risk factor - recover their original share of well cost + 200% of that.

30 days after you are compulsory pooled to join.

Party has ~~[illegible]~~ 30 days after he receives AFE.

Generally. 200% if its a wildcat Gilbert 150% - 200% Range.

Do not have to go with risk factor they recommend.

Developmental well - 150% - generally.

→ Fight over risk factor - arbitrary, look at evidence. your judgment

Overhead Costs: Supervision costs.

Total ~~drilling~~ supervision cost per ~~day~~ month

The person pooled has to pay his percentage of these costs while drilling and while producing.

Give them approx. 3 months to drill.

Make sure pool acreage is same

Ded acreage is same as pool requires.