

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
J. SCOTT HALL
PETER N. IVES
RUTH S. MUSGRAVE
LOURDES A. MARTINEZ

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 983-6042
TELECOPIER: (505) 983-6043

February 1, 1985 OIL CONSERVATION DIVISION

HAND DELIVERED

Mr. R. L. Stamets
Director
Oil Conservation Division
New Mexico Department of
Energy and Minerals
Post Office Box 2088
Santa Fe, New Mexico 87501

Case 8504

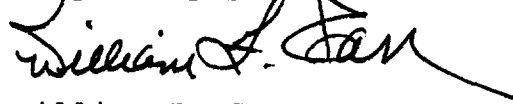
Re: Application of Southland Royalty Company for Compulsory
Pooling, Eddy County, New Mexico.

Dear Mr. Stamets:

Enclosed in triplicate is the Application of Southland
Royalty Company in the above-referenced case. Southland Royalty
Company respectfully requests that this matter be included on the
docket for the February 27, 1985 Examiner hearings.

Your attention to this request is appreciated.

Very truly yours,



William F. Carr

WFC/cv
enclosures

cc: Mr. Don Davis

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION
OF SOUTHLAND ROYALTY COMPANY FOR
COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.

Case 8504

APPLICATION

Comes now, SOUTHLAND ROYALTY COMPANY, by and through its undersigned attorneys and, as provided by §70-2-17, N.M.S.A. (1978), hereby makes application for an order pooling all of the mineral interests from the top of the Wolfcamp formation to the base of the Pennsylvanian formation in and under the S/2 of Section 12, Township 19 South, Range 28 east, N.M.P.M., Eddy County, New Mexico, and in support thereof would show the Division:

1. Applicant owns or represents approximately 50% of the working interest in and under the S/2 of said Section 12, and applicant has the right to drill thereon.

2. Applicant proposes to dedicate the above-referenced pooled unit to a well to be drilled at an orthodox location 660 feet from the South line and 1980 feet from the West line of said Section 12.

3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other interest owners in the S/2 of said Section 12, except the following:

Bass Enterprises Production Company	25% WI
Sun Exploration & Production Company	25% WI

4. Said pooling of interest and well completion will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

5. In order to permit the applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interest should be pooled, and applicant should be designated the operator of the well to be drilled.

WHEREFORE, applicant prays that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division, and that after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions for applicant to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling and after completion, including overhead charges, and imposing a risk factor for the risk assumed by the applicant in drilling, completing and equipping the well, and making such other and further provisions as may be proper in the premises.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By


William F. Carr

Post Office Box 2208

Santa Fe, New Mexico 87501

(505) 988-4421

ATTORNEYS FOR SOUTHLAND
ROYALTY COMPANY