

Jason Kellahin  
W. Thomas Kellahin  
Karen Aubrey

KELLAHIN and KELLAHIN  
*Attorneys at Law*  
El Patio - 117 North Guadalupe  
Post Office Box 2265  
Santa Fe, New Mexico 87504-2265

Telephone 982-4285  
Area Code 505

May 13, 1985

RECEIVED

1985

OIL CONSERVATION DIVISION

Mr. Richard L. Stamets  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504

"Hand Delivered"

Re: Pennzoil Company  
Bierson #1 Well  
Lea County, New Mexico

*Case 8622*

Dear Mr. Stamets:

Please set the enclosed forced pooling application for hearing at the next available examiner docket now scheduled for June 5, 1985.

Very truly yours,



W. Thomas Kellahin

WTK:ca  
Enc.

cc: Greg Davis  
Pennzoil Company  
P. O. Drawer 1828  
Midland, Texas 79702

Superior Oil Company ("CERTIFIED MAIL")  
P. O. Box 633  
Midland, Texas 79702  
Attn: Mr. Ken Johnston

Yates Energy Corporation ("CERTIFIED MAIL")  
Suite 1010  
SunWest Center  
Roswell, New Mexico 88201

Fred G. Yates, Inc. ("CERTIFIED MAIL")  
Suite 1010  
SunWest Center  
Roswell, New Mexico 88201

STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY AND MINERALS  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION  
OF PENNZOIL COMPANY, FOR  
COMPULSORY POOLING, LEA COUNTY,  
NEW MEXICO.

RECEIVED  
MAY 11 1985  
OIL CONSERVATION DIVISION  
CASE: 5622

A P P L I C A T I O N

Comes now Pennzoil Company, by and through its attorneys, Kellahin & Kellahin, and applied to the Oil Conservation Division of New Mexico for an order pooling all mineral interests in the Strawn, Drinkard, Wolfcamp and Abo formations from the surface to 11,800 feet underlying the E/2SE/4 of Section 4, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico, for the formation of a proration and spacing unit for the said production and in support thereof would show the Division:

1. Applicant is an owner of the right to drill and develop the E/2SE/4 of Section 4, Township 17 South, Range 37 East, NMPM.

2. Applicant proposes to drill a well at a standard location 660 feet FEL and 2130 feet FSL and to dedicate the E/2SE/4 of said Section 4 to the well.

3. Applicant has sought to obtain the cooperation of all parties.

4. In order to obtain their just and equitable share of the production underlying the above lands, Applicant needs an order pooling the mineral interest involved.

5. Those who have not consented to join in the drilling of the well, with their addresses, to the best of the applicant's information and belief, are as follows:

- |     |   |            |
|-----|---|------------|
| (1) | Superior Oil Company<br>P. O. Box 633<br>Midland, Texas 79702                         | 5.1823% WI |
| (2) | Yates Energy Corporation<br>Suite 1010<br>SunWest Center<br>Roswell, New Mexico 88201 | 3.4404% WI |
| (3) | Fred Yates, Inc.<br>Suite 1010<br>SunWest Center<br>Roswell, New Mexico 88201         | .4688% WI  |

6. The parties named in paragraph 5 above have been furnished a copy of this application.

WHEREFORE, applicant prays that this application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order pooling the mineral interest described herein. Applicant further prays that it be named operator of the well, and that the order make provision for applicant to recover out of production its costs of drilling the subject well, completing and

equipping it, costs of operation, including costs of supervision and a risk factor in the amount of 200% for the drilling of the well, for such other and further relief as may be proper.

Respectfully submitted,



By

W. Thomas Kellahin  
P. O. Box 2265  
Santa Fe, New Mexico 87501