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746-3508

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June 21, 1985

Mr. Richard Stamets, Director
Energy & Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

RECEIVED
JUN 21 1985
Case 8650

Dear Mr. Stamets:

Enclosed for filing, please find three copies of an Application of Amerada Hess Corporation for compulsory pooling, Northeast Lovington-Pennsylvanian pool, Lea County, New Mexico. Also enclosed is an Affidavit of Mailing reflecting the mailing of a copy to the last known addresses of the non-consenting interest owners.

We ask that this matter be set for hearing before an examiner on the July 17, 1985 docket and that we be furnished with a copy of the docket. Thank you.

Sincerely yours,

LOSEE & CARSON, P.A.



A. J. Losee

AJL:dsn

Enclosures

cc w/enclosure: Ms. Marilyn Adamson
Mr. Chuck Herron

BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :
AMERADA HESS CORPORATION FOR :
COMPULSORY POOLING, LEA COUNTY, : CASE NO. 8650
NEW MEXICO :
_____ :

APPLICATION

COMES NOW AMERADA HESS CORPORATION, by its attorneys, and in support hereof, respectfully states:

1. Applicant has the right to drill a well to the Strawn formation as an oil well, which is to be located at a point 1980 feet from the South line and 600 feet from the West line of Section 9, Township 16 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

2. The proposed well is located within one mile of the Northeast Lovington-Pennsylvania Pool and applicant proposes to dedicate the W/2 SW/4 of said section to this well. There are interest owners in the proration unit who have not agreed to pool their interests.

3. Applicant should be designated the operator of the well and the proration unit.

4. To avoid the drilling of unnecessary wells, to protect correlative rights and to afford to the owner of each interest in

said unit the opportunity to recover or receive without unnecessary expense, his just and fair share of the oil in said unit, all mineral interests, whatever they may be, in the Pennsylvania formation underlying the W/2 SW/4 of said Section 9, should be pooled.

5. That any non-consenting working interest owner that does not pay his share of estimated well costs should have withheld from production his share of the reasonable well costs, plus an additional 200% thereof as a reasonable charge for the risk involved in the drilling of the well.

6. Applicant should be authorized to withhold from production the proportionate share of a reasonable supervision charge for drilling and producing wells attributable to each non-consenting working interest owner.

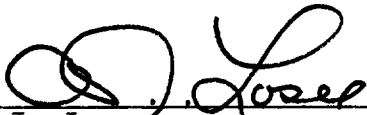
WHEREFORE, applicant prays that:

A. This application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. Upon hearing the Commission enter its order pooling all mineral interests, in the Pennsylvanian formation underlying the W/2 SW/4 of said Section 9, Township 16 South, Range 37 East, N.M.P.M., Lea County, New Mexico, to form an 80-acre spacing unit dedicated to applicant's well.

C. And for such other relief as may be just in the premises.

AMERADA HESS CORPORATION

By: 
A. J. Losee

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Attorneys for Applicant

EXHIBIT "A"

1. William C. Uphoff
Box 573
Peoria, Illinois 61652
2. Alfred Letzenick
c/o Monarch Investment Company
Roswell, New Mexico 88201
3. Clarice L. Van Eman
Bellingham, Washington 98225
4. Fred B. Manley and M. H. McGrail
Trustees of the New Mexico Royalty Trust
Unknown

Jan C. Solving
Notary Public