

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

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OCT 1 1986

OIL CONSERVATION DIVISION

CASE: 9005

IN THE MATTER OF THE APPLICATION
OF SUN EXPLORATION AND PRODUCTION
COMPANY FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

A P P L I C A T I O N

Comes now Sun Exploration and Production Company and applies to the Oil Conservation Division of New Mexico for an order pooling all mineral interest from the top of the Wolfcamp to the base of the Pennsylvanian formations underlying the N/2 of Section 24, T18S, R33E, NMPM, Lea County, New Mexico, to form a standard 320-acre gas spacing and proration unit to be dedicated to the well to be drilled at an unorthodox location as previously authorized by Division Order R-8157, and in support thereof would show the Division.

1. Applicant is a working interest owner with the right to drill and develop the N/2 of Section 24, T18S, R33E, NMPM, Lea County, New Mexico.

2. Applicant has previously received authority from the Division by Order R-8157 to drill its New Mexico Federal Com Well #1 at an Unorthodox well location 2080 feet FNL and 600 feet FEL of said Section 24 and to dedicate the N/2 of said section to the well.

3. Applicant has sought the cooperation of all other working interest owners in the subject spacing and proration unit and has obtained the voluntary agreement of all parties except as follows:

<u>NAME</u>	<u>INTEREST</u>
ARCO Oil & Gas Co. 300 North Pecos Midland, Texas 79701	37.5% interest (S/2NW/4 & NW/4NW/4)
Attn: Ms. Rita Buress	

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. The party named in paragraph 3 above has been furnished a copy of this application as required by Division Rules.

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 provisions 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,

Sun Exploration and
Production Company

By 

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