W. Thomas Kellahin Karen Aubrey Jason Kellahin

Of Counsel

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

January 26, 1987

Mr. William J. LeMay Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87504

Foran Oil Company

Application for Compulsory Pooling

NMOCD Case 9071

Dear Mr. LeMay:

On behalf of the applicant in this case, please continue it to the Examiner hearing set for February 18, 1987 in order to give the applicant additional time in which to continue its efforts to obtain a voluntary joinder of the mineral or working interest owners for this well.

Very truly yours

Thomas Wellahin

WTK:ca Enc.

cc: Mr. Joe Foran

All parties listed on Exhibit A to application by

Regular Mail

HEYCO



HARVEY E. YATES COMPANY

PETROLEUM PRODUCERS

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

P 0. BOX 1933

QNE SUNWEST CENTRE

505/623-6601

ROSWELL, NEW MEXICO 88201

11-87

11-87

February 9, 1987

Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Re: Proposed NE Lovington
Pennsylvanian Pool Well
Section 8: S/2 NW/4
T-16S, R-37E, N.M.P.M.
Lea County, New Mexico

Case No. 9071

Gentlemen:

Harvey E. Yates Company (HEYCO) encloses herewith a copy of our letter addressed to Foran Oil Company, dated February 2, 1987, which we ask be read into the record at the Examiner Hearing for case number 9071. This hearing is scheduled for February 18, 1987 and concerns the application of Foran Oil Company for compulsory pooling under the above captioned lands in Lea County, New Mexico.

Thank you for your attention to our request.

Very truly yours,

Melissa Randle Land Department

/mvr Enclosure

HEYCO

PETROLEUM PRODUCERS

HARVEY E. YATES COMPANY

P O BOX 1933

ONE SUNWEST CENTRE

505 / 623 6601

ROSWELL, NEW MEXICO 88201

February 2, 1987

Foran Oil Company Suite 158, Pecan Creek 8340 Meadow Road Dallas, Texas 75231

> Re: Proposed NE Lovington Pennsylvanian Pool Well Section 8: S/2 NW/4 T-16S, R-37E, N.M.P.M. Lea County, New Mexico

Gentlemen:

Harvey E. Yates Company (HEYCO) hereby notifies Foran Oil Company of their wish to participate with their leasehold interest in the drilling of the above captioned well. HEYCO's participation would be subject to approval of Operator's Joint Operating Agreement and estimated well costs.

Thank you for your attention to this matter. Please supply HEYCO with the information concerning participation.

Very truly yours,

George M. Yates

∛resident

MVR/dlm

lovforan

J. H. Van Zant, II

February 13, 1987

RECEIVED

FEB 1 6 1987

OIL CONSERVATION DIVISION

State of New Mexico State Land Office Bldg. Oil Conservation Division Att: Bill Lemay, director Santa Fe, N. M.

Re: Case #9071

S/2 NW Sec. 8-16S-37E Lea County, New Mexico

Gentlemen:

Enclosed please find copy of certified letter which was sent to Mr. Foran, along with copy of AFE.

Please remove my interest from the above referenced pooling hearing scheduled for February 18, 1987.

Sincerely,

🎝 H. VAN ZANT II

JHVZ/kr Enc/

J. H. Van Zant, II

February 13, 1987

Foran Oil Company Suite 158 Pecan Creek 8340 Meadow Road Dallas, Texas 75231

Re: Int. in NW/4
Sec. 8-16S-37E
Lea County, N. M.

Att: J. W. Foran

Gentlemen:

Please find enclosed executed copy of your AFE for a Strawn test on the above acreage. I request that you send an operating agreement which is acceptable to me.

Please advise this office of daily drilling reports. My home telephone is (817) 879-2540.

SincereAy,

. VAN ZANT II

JHVZ/kr Enc



AUTHORITY FOR EXPENDITURE

on: Legal	Foran - Caudill #1-8 Well: 1 County: Lean: Legal location, NW/4 Section 8, T-16-S, R-37-E				
	Twin Lakes Formation: Strawn				
	-87 Estimated Spud Date: 2-15-87				
	TANGIBLE COS				
900	Description	Orill	Complete	Total	
	1. Casing:		l		
1.0013	a) 'Cond. '@ \$ b) 360' Surl. 13-3/8 '@ \$ 11.50	4 140			
1-0003 K	-55c) 4400 101er 9 5 19 6 5 11 50 1	4,140		4.140	
	d) 'Inter "@ 5	39.160		39,160	
	(-55c) 4400 ' Inter. 8-5/8 " @ \$ 8.90 d) ' Inter. " @ \$ 8.90 e) ' Inter. " @ \$ 1-801) 11,600 ' Oil St. 5-1/2 " @ \$ 4.00				
1-0003 N	(-801) 11,600 ' Oil St. 5-1/2 " @ \$ · 4.00		46,400	46,400	
1-0004	2. Tubing 11,000 ' 2-3/8 " @ \$ 2.00		22,000	22,000	
1-0006	3. Well head, pump equipment	4,500		4,500	
1-0007	4. Treater, separator, tanks complete		19,500	19,500	
1.0008	5. Flow lines		2,000	2,000	
1-0009	6. Fittings, attachments	•	3,000	3.000	
31-0019	7. Down hole equipment, rods 8. Electrification		3.000	3,000	
	• •	47,800	05 000	143 300	
	INTANGIBLE C	net	95,900	143,700	
33-0001	9. Surveying	750	T	750	
33-0002	10. Roads, location, tank grading	14,500	1,500	16,000	
33-0003	11. Damages, permits, right of way	5,200		5,200	
33-0004	12. Contract drilling 11,600 ' @ \$ 12.00	139,200		139,200	
33.0005	13. Drilling 4 Days work @ \$ 4,200	12,600	4,200	16,800	
33-0006	14. Bits & reamers				
33-0007	15. Cement & services - Cond. & surface	2,900		2,900	
33-0008	16. Cement & services - Interm. casing	7,600	0.000	7,600	
33·0009 33·0010	17. Cement & services - Oil string	28,000	9,000	9,000 29,000	
33.0010	18. Drilling Iluids inc. oil & water 19. Drill stem testing 1 tests @ \$2,800		1,000		
33.0012	20. Coring & analysis	2.800		2.800	
33.0013	21. Pit liner	2,600		2,600	
33-0014	22. Electric log	18,000		18,000	
33-0015	23. Perforating		3,500	3,500	
33-0016	24. Acidizing & tracturing		2,500	2,500	
33-0017	25. Pulling units (swab & workover)		9,500	9,5.00	
33-0019	26. Equipment rental & casing crews	11,000	2,500	13,500	
33-0050	27. Trucking - incl. rig move	1,700	3,500	5,200	
33-0021	28. Taxes	, 2,800	4,800	7,60	
33-0022	29. Geology & mud logger	7,500	1 200	7,500	
33.0023	30. Engineering	1,500	1,200	2,70	
133-0024	31. Supervision 32. Rig luel	13,000	8,500	21,50	
133-0028	33. Welding	1,000	1,000	2,00	
133-0029	34. Wire line work	1,000	1,000	- 2,00	
133-6031	35. Supplies	500	4,500	5,00	
133-0032	36. Labor & roustabout	1,500	7,000	8,50	
133-0034	37. Centralizers, liners, packers			1	
133-0035	38. Testing				
133-0037					
133-0044	1 40. Pipe inspection				
	Total Intangibles	274,650	64,200	338,85	
133-0025	1 41. Contingencies 5 %	13,700	3,200	16,90	
	Total Intangibles + Contingencies	288,350	67,400	355,75	
	TOTAL	336.150	163,300	499,45	

Company:

PREPARED BY:

APPROVED BY:

KELLAHIN and KELLAHIN

Attorneys at Law

El Patio - 117 North Guadalupe

Karen Aubrey
Jason Kellahin

W. Thomas Kellahin

Jason Kellahin Of Counsel El Patio - 117 North Guadalupe
Post Office Box 2265
Santa Fe, New Mexico 87504-2265

RECEIVED

Telephone 982-4285

Area Code 505

March 10, 1987

MAR 11 1887

OIL CONSERVATION DIVISION

Mr. William J. LeMay
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

"Hand Delivered"

Re: Foran Oil Company

Application for Compulsory Pooling

NMOCD Case 9071

Dear Mr. LeMay:

The enclosed compulsory pooling application was filed on January 13, 1987, and was set for hearing on February 4, 1987. We continued the case to February 18, 1987 to provide time for additional parties to be notified. At the hearing on February 18, 1987, it became apparent that there were still additional parties to be notified.

We would again appreciate you setting this case for hearing on April 8, 1987 so that we can provide notice by Certified Return-Receipt Requested to the parties to be pooled listed on attachment (1) to this letter.

Very truly yours,

W. Thomas Kellahin

WTK:ca Enc.

cc: Mr. Joe Foran Foran Oil Company 8340 Meadow Road Dallas, Texas 75231 Attachment No. 1

Dorothy Jeanne Van Zant Sanders Suite 508, Sinclair Building 106 West 5th Street Ft. Worth, Texas 76102

Willie Mae Coalson, Living Trust c/o Dorothy Mae Wright 6227 Camino Corto San Diego, CA 92190

Harry J. Schafer, Jr., Trustee of the "Mary E. Grisso Trust #1" 6601 N. Broadway - Suite 125 Oklahoma City, OK 73116

William Hardwood Brown 602 E. Mescalero Roswell, New Mexico 88201

Ida Louise Brown McDonald 3210 Paul Drive Wheaton, Maryland 20902

Donald A. Brown 2699 Altus Drive Fayetteville, Arkansas 72701

R. Lee Huntington, Executor for the Estate of Alice G. Brown Huntington San Diego, CA 92130

Ronald J. Byers 1600 United Bank Tower 400 W. 15th Street Austin, Texas 78701

J. H. Van Zant, II Carolan Van Zant 1730 Commerce Building 307 W. 7th Ft. Worth, Texas 76102-5173

Lydian Hall Woods c/o James R. Woods P. O. Box 1417 Socorro, New Mexico 87801

Dorothy Mae Brown Wright 6227 Camino Corto San Diego, CA 92190 Attachment No. 1 Continued:

Texaco, USA Midland Operations Division P. O. Box 3109 Midland, Texas 79702

Home Stake Royalty Corporation 2800 First National Tower Tulsa, Oklahoma 74103 Attn: Barbara Courtney

Harvey E. Yates Company Spiral Inc. Explorers Petroleum Corporation P. O. Box 1933 Roswell, New Mexico 88201

Fred G. Yates Inc. Yates Energy Corporation 500 N. Main, Suite 1010 Sunwest Bank Building Roswell, New Mexico 88201

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

IN THE MATTER OF FORAN OIL COMPANY APPLICATION FOR COMPULSORY POOLING LEA COUNTY, NEW MEXICO

CASE: 9071

CERTIFICATE OF MAILING AND COMPLIANCE WITH ORDER R-8054

In accordance with Division Rule 1207 (Order R-8054) I hereby certify that notice of the hearing on March 10, 1987, and a copy of this application, were mailed at least twenty days piror to hearing to the following operators and interested parties. Each said party is advised that they are not require to attend this hearing, but as interested parties may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date:

Dorothy Jeanne Van Zant Sanders Suite 508, Sinclair Building 106 West 5th Street Ft. Worth, Texas 76102

Willie Mae Coalson, Living Trust c/o Dorothy Mae Wright 6227 Camino Corto San Diego, CA 92190

Harry J. Schafer, Jr., Trustee of the "Mary E. Grisso Trust #1" 6601 N. Broadway - Suite 125 Oklahoma City, OK 73116

William Hardwood Brown 602 E. Mescalero Roswell, New Mexico 88201

Ida Louise Brown McDonald 3210 Paul Drive Wheaton, Maryland 20902

Donald A. Brown 2699 Altus Drive Fayetteville, Arkansas 72701

Ronald J. Byers 1600 United Bank Tower 400 W. 15th Street Austin, Texas 78701

J. H. Van Zant, II Carolan Van Zant 1730 Commerce Building 307 W. 7th Ft. Worth, Texas 76102-5173

Lydian Hall Woods c/o James R. Woods P. O. Box 1417 Socorro, New Mexico 87801

Dorothy Mae Brown Wright 6227 Camino Corto San Diego, CA 92190

Texaco, USA Midland Operations Division P. O. Box 3109 Midland, Texas 79702

Home Stake Royalty Corporation 2800 First National Tower Tulsa, Oklahoma 74103 Attn: Barbara Courtney

Harvey E. Yates Company Spiral Inc. Explorers Petroleum Corporation P. O. Box 1933 Roswell, New Mexico 88201

Fred G. Yates Inc. Yates Energy Corporation 500 N. Main, Suite 1010 Sunwest Bank Building Roswell, New Mexico 88201

In addition to the foregoing, Sohio Petroleum Company, aka Standard Oil Production Company, has been notified of the forced pooling and has waived the twenty-

day notice period as set forth on their letter dated March 30, 1987, which is attached hereto and incorporated by reference herein.

W. Thomas Kellahin

SUBSCRIBED AND SWORN to before me this 7^{th} day of April 1987.

Sasse Joular
Notary Public

My Commission Expires:

9-26-87

FORAN OIL COMPANY

SUITE 158, PECAN CREEK 8340 MEADOW ROAD DALLAS, TEXAS 75231 (214) 373-8792 April 1, 1987

Certified Mail

Standard Nil Production Company Two Lincoln Centre 5420 LBJ Freeway LB/3 Dallas, Texas 75240-5000

Attn. Diane Tripp

Re: NMOCD Case 9071

Application for Compulsory Pooling

Dear Diane,

This letter to serve as written notice of Foran Oil Company's intention to include the interest owned by Standard Oil Production Co. in the above referenced compulsory pooling hearing covering the S/2 NW/4 Sec.8, T 16 S, R 37 East, Lea County, New Mexico. Said hearing to be held April 8, 1987 before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico.

Sincerely,

Land Manager

тягарая инстаноп	DOMES		942	8-744 E86	PS Form 3811, July 1
A Addresses's Address (ONLY (frequested and fee paid)	Always obtain signature of addressee or agent and DATE DELIVERED. 5. Signature - Addressee X 6. Signature - Agent	A. Type of Service: Article Number ☐ Registered ☐ Insured P 640 662 101 ☐ COD ☐ Express Mail	3. Article Addressed to: Díáné Trípp Standard Oil Production Co. 5420 LBJ Freeway LB/3 Dallas, TX 75240-5000	1. Show to whom, date and address of delicant 2. Sestricted Delivery.	SENDER: Complete items 1, 2, 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

Standard Oil Production Compan' Continental/Offshore Di-Area Production Office Two Liscoin Central 5420 LBJ Freeway - LB P Direct Twee Toward TS240-6727 214-701-5000 C: Lellahin

RECEIVED ATTO C MART

STANDARD OIL PRODUCTION

March 30, 1987

Foran Oil Company Suite 158, Pecan Creek 8340 Meadow Road Dallas, Texas 75231

Attn: Charlie Horn

Re: NMOCD Case 9071

Application for Compulsory

Pooling

Gentlemen:

Please be advised that Sohio Petroleum Company a/k/a Standard Oil Production Company hereby waives the required twenty (20) day advance notification in the matter of the Application of Foran Oil Company for Compulsory Pooling in Lea County, New Mexico, NMOCD Case 9071.

Sincerely,

SOHIO PETROLEUM COMPANY A/K/A STANDARD OIL PRODUCTION COMPANY

D. L. Tripp // Associate Landman

MLH/DLT/t1h/85740p11

•

THE STATE OF PARTY OF

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

April 14, 1987

GARREY CARRUTHERS
SOVERNOR

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-5800

	e: CASE NO. 9071						
Mr. Thomas Kellahin Kellahin & Kellahin	ORDER NO. R-3428						
Attorneys at Law Post Office Box 2265	Applicant:						
Santa Fe, New Mexico	Foran Oil Company						
Dear Sir:							
Enclosed herewith are two copies Division order recently entered							
Sincerely,							
Florene Davidson							
FLORENE DAVIDSON							
OC Staff Specialist							
Copy of order also sent to:							
Hobbs OCD x							
Artesia OCD x							
Aztec OCD							
Other Robert Bell							