

RECEIVED

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

MAY 29 1987

APPLICATION OF CROWN CENTRAL
PETROLEUM CORPORATION FOR
COMPULSORY POOLING, LEA
COUNTY, NEW MEXICO.

OIL CONSERVATION DIVISION

Case No. 9161

APPLICATION

Crown Central Petroleum Corporation hereby makes application for an Order pooling all interests from the surface to the base of the Abo formation in the SE $\frac{1}{4}$ of Section 25, Township 19 South, Range 38 East, N.M.P.M., Lea County, New Mexico, and in support thereof would show:

1. Applicant is a working interest owner in the SE $\frac{1}{4}$ of said Section 25.

2. Applicant proposes to drill a well in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 25, at a standard location, to a depth of approximately 8000 feet or the base of the Abo formation. Applicant seeks to dedicate the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 25 to the well if it is an oil well, or will dedicate the SE $\frac{1}{4}$ of Section 25 to the well if it is a gas well.

3. Applicant has in good faith sought to join all other mineral interest owners in the SE $\frac{1}{4}$ of Section 25 for the purposes set forth herein.

4. Although Applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have refused to join in dedicating their acreage. Therefore, Applicant seeks an Order

pooling all mineral interest owners underlying the SE $\frac{1}{4}$ of Section 25, pursuant to § 70-2-17 N.M.S.A. 1978.

5. Applicant asks that the Division consider the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and costs charged for supervision. Applicant requests that it be designated as operator of the well and that the Division set a penalty for the risk involved in drilling the well.

6. The pooling of all interests underlying the SE $\frac{1}{4}$ of Section 25 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

7. Applicant requests that this matter be heard at the July 1, 1987 Examiner hearing.

HINKLE, COX, EATON,
COFFIELD & HENSLEY

By



James Bruce

Post Office Box 2068

Santa Fe, New Mexico 87504-2068

Dated: May 29, 1987

Attorneys for Applicant