LAW OFFICES

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AREA CODE 505 746-3508

> TELECOPY 746-6316

July 25, 198

Mr. William J. LeMay, Director New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

> Re: In the Matter of the Application of C. W. Trainer for Compulsory Pooling for the E/2 Section 6, Township 22 South, Range 34 East, N.M.P.M., Lea County, New Mexico - Barbara Federal No. 1

Dear Mr. LeMay:

I am enclosing herewith for filing an Application concerning the above-captioned, and a Certificate of Mailing and Compliance with Order R-8504, in triplicate. In my conversation with Florine of July 22, 1988, this was set before the commission August 17, 1988.

Very truly yours,

LOSEE, CARSON, HAAS & CARROLL, P. A.

ment & Canol

Ernest L. Carroll

ELC:ktl Enclosures

BEFORE THE OIL CONSERVATION DIVISION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF : C. W. TRAINER FOR COMPULSORY POOLING, : CASE NO. $\frac{20157}{2}$ LEA COUNTY, NEW MEXICO :

CERTIFICATE OF MAILING AND COMPLIANCE WITH ORDER R-8054

In accordance with Division Rule 1207, I hereby certify that on July 25, 1988, notice of the hearing and a copy of the application for the above referenced case were sent (Federal Express) at least twenty days prior to hearings originally set for August 17, 1988 to the operators and interested parties listed in Exhibit "A".

Trnest L. Carroll

LOSEE, CARSON, HAAS & CARROLL, P.A. P. O. Drawer 239 Artesia, New Mexico 88210

SUBSCRIBED AND SWORN TO before me this $\frac{25}{25}$ day of July, 1988.

My commission expires:

11-25-89

EXHIBIT "A"

CAMPBELL PARTNERS, LTD., a limited partnership c/o Union Texas Petroleum P. O. Box 2120 Houston, Texas 77252-2120 Attn: Greg Dove Joseph Porter UNICON PRODUCING COMPANY

c/o Union Texas Petroleum P. O. Box 2120 Houston, Texas 77252-2120 Attn: Greg Dove Joseph Porter

BEFORE THE OIL CONSERVATION DIVISION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF : C. W. TRAINER FOR COMPULSORY POOLING, : CA LEA COUNTY, NEW MEXICO :

case no. 9457

APPLICATION

COMES NOW C. W. TRAINER, by his attorneys, and in support hereof, respectfully states:

1. Applicant has the right to re-enter the Barbara Fed No. 1 Well and test the Morrow formation for gas, which well is located at a point 1,980 feet from the South line and 990 feet from the East line of Section 6, Township 22 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

2. The applicant has dedicated the E/2 of said section to this well, and 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 gas in said unit, all mineral interests, whatever they may be, from the surface to the base of the Morrow formation underlying the E/2 of said Section 6, 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 Division enter its order pooling all mineral interest, whatever they may be, from the surface through the base of the Morrow formation underlying the E/2 of said Section 6, Township 22 South, Range 34 East, N.M.P.M., Lea County, New Mexico to form a 320-acre spacing unit dedicated to applicant's well.

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

C. W. TRAINER

Carroll

LOSEE, CARSON, HAAS & CARROLL, P.A. P. O. Drawer 239 Artesia, New Mexico 88210

Attorneys for Applicant