## BEFORE THE

## OIL CONSERVATION DIVISION

## NEW MEXICO DEPARTMENT OF ENERGY, MINERALS RECEIVED

& NATURAL RESOURCES DEPARTMENT MAY

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OIL CONSERVATION DIVISION

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CASE NO. 9686

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IN THE MATTER OF THE APPLICATION OF ENRON OIL & GAS COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

## APPLICATION

APPLICANT, ENRON OIL & GAS COMPANY, by and through its undersigned attorneys, and as provided by N.M.S.A. § 70-2-17, hereby makes application for an order pooling all of the mineral interests in the Strawn and Atoka Formations located in and under the (S/2) of Section 15, T-24-S, R-28-E, N.M.P.M., Eddy County, New Mexico, and in support thereof would show the Division:

1. Applicant owns or represents the majority of the working interest in and under the acreage to be pooled in Section 15 and Applicant has the right to drill thereon.

2. Applicant proposes to dedicate the above-referenced pooled unit to a well proposed to be drilled at an orthodox location 660' FSL and 1980' FEL of said Section 15, to a depth sufficient to test the Strawn and Atoka Formations.

3. Applicant has obtained voluntary agreement for pooling or farmout from less than 100 percent of all interest owners in the acreage to be pooled in said Section 15. 4. Pooling of said interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

5. In order to permit the Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interests should be pooled, and Applicant should be designated the operator of the well to be drilled.

WHEREFORE, ENRON Oil & Gas Company requests that this matter be set for hearing before a duly appointed examiner of the Oil Conservation Division on June 7, 1989, and that after notice and hearing as required by law, the Division enter its order granting this application, including provisions for Applicant to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling and after completion, including overhead charges, and imposing a risk factor for the risk assumed by the Applicant in drilling, completing and equipping the well, and making such other provisions as may be appropriate.

By

Respectfully submitted,

CAMPBELL & BLACK, P.A.

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ATTORNEYS FOR ENRON Oil & Gas

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