

STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION  
OF ORYX ENERGY COMPANY, FORMERLY  
SUN EXPLORATION AND PRODUCTION  
COMPANY, FOR COMPULSORY POOLING  
OF A 640 ACRE UNIT, GAVILAN-MANCOS  
OIL POOL, RIO ARriba COUNTY, NEW MEXICO

CASE NO. 9694

A P P L I C A T I O N

COMES NOW Oryx Energy Company, formerly Sun Exploration and Production Company, by and through its attorneys, Kellahin, Kellahin & Aubrey and in accordance with Section 70-2-17(c) NMSA-1978 applies to the New Mexico Oil Conservation Division for an order pooling all mineral interest effective July 12, 1989 in the Gavilan-Mancos Oil Pool underlying a 640 acre spacing and proration unit being all of Section 12, T25N, R2W, NMPM, to be dedicated to Mallon Oil Company's Johnson Federal No. 12-5 Well, located in the SW/4NW/4 (Unit E) of said Section 12, and in support thereof would show:

1. Applicant is a working interest owner in the NE/4 of Section 12, T25N, R2W, NMPM, Rio Arriba County, New Mexico.

2. The New Mexico Oil Conservation Commission issued Order R-7407-E effective June 8, 1987 which provides for a

640 acre spacing and proration unit for the Gavilan-Mancos Oil Pool.

3. On October 24, 1985 Mallon Oil Company completed its Johnson Federal No. 12-5 Well located in the SW/4NW/4 of said Section 12 for production from the Gavilan-Mancos Oil Pool to which the W/2 of Section 12 is dedicated.

4. In compliance with Division Order R-7407-E and in accordance with Section 70-2-17(c) NMSA-1978, Applicant has sought the voluntary agreement of all appropriate interest owners in Section 12 for the dedication of all of Section 12 to the Mallon Johnson Federal No. 12-5 Well.

5. Although Applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the Mallon Johnson Federal No. 12-5 Well and to share in production from said well in compliance with Order R-7407-E, certain interest owners have either refused or have failed to join in dedicating their interest on a voluntary basis.

6. In the event Applicant is unable to obtain a compulsory pooling order pooling all of Section 12, the Applicant's leasehold interest in the NE/4 of said section will expire on July 31, 1989.

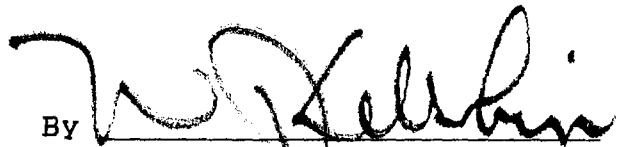
7. Applicant requests that the effective date of the pooling order be the date of the hearing of July 12, 1989.

8. The pooling of all interests underlying Section 12 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

9. In accordance with Division notice rules, the Applicant has provided a copy of this application and notice to all parties listed on Exhibit A, B and C hereto.

WHEREFORE, Applicant requests that this application be set for hearing before the duly appointed Division examiner on July 12, 1989 and that after hearing the Division enter its order pooling the mineral interest described herein. Applicant further seeks that Mallon Oil Company be named operator of the well, that the order provide for a fair and equitable means for participation in the costs and production from the well, and that the effective date of the allocation of production be July 12, 1989, and that if after the election period expires, any party who has failed to pay its fair share of the participation costs be assessed a risk factor and for such other and further relief as may be proper.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'W. Thomas Kellahin', is written over a horizontal line.

By W. Thomas Kellahin, Esq.  
Kellahin, Kellahin & Aubrey  
Post Office Box 2265  
Santa Fe, New Mexico 87504

(505) 982-4285

Attorneys for Oryx Energy  
Company, formerly Sun Exploration  
and Production Company

Exhibit "A"

WORKING INTEREST OWNERS

American Penn Energy, Inc.  
205 Fifth Avenue S.W.  
Calgary, Alberta, Canada T2P2V7

Arriba Company, Ltd.  
Post Office Box 35304  
Tulsa, Oklahoma 74153

Robert L. Bayless  
3535 East 30th Street  
Farmington, New Mexico 87499

Colton Exploration Company  
Attn: James Wallis  
6410-B North Santa Fe  
Oklahoma City, Oklahoma 73116

The Warren Clark Trust  
Carolyn Clark Oatman and The  
Warren Clark Testamentary Trust  
c/o Wayland Oatman  
433 Perry Brooks Building  
Austin, Texas 78701

Copconda Resources, Ltd.  
600 Seventeenth Street  
Suite 2705-S  
Denver, Colorado 80202

Dugan Production Corporation  
709 East Murray Drive  
Farmington, New Mexico 89401  
Atn: John Roe

Glen and Betty Fitzgerald  
Route 5, Box 336  
Shawnee, Oklahoma 74801

Kevin Fitzgerald  
66 North Ranch Road  
Littleton, Colorado 80127

Ralph (Alice) Gilliland  
c/o Ann G. St. Clair  
7420 Caruth  
Dallas, Texas 75225

David L. Heppe  
3333 Simms Street  
Wheatridge, Colorado 80033

A. G. Hill  
5000 Thanksgiving Tower  
Dallas, Texas 75202

Hooper, Kimball & Williams, Inc.  
320 South Boston  
Suite 1900  
Tulsa, Oklahoma 74103

Ibex Partnership PC, Ltd.,  
A Texas Limited Partnership  
300 North Breckenridge Avenue  
Breckenridge, Texas 76024

KM Production Company  
3535 East 30th Street  
Suite 108  
Farmington, New Mexico 87401

Kodiak Petroleum, Inc.  
44 Inverness Drive East  
Bldg D, Suite B  
Englewood, Colorado 80111

Mallon Oil Company, Mallon  
Minerals Corporation, Mallon-  
Mitchell 1984 Ltd. Partnership  
II, and Mallon-Mitchell 1985  
Ltd. Partnership I  
Attn: Kevin Fitzgerald  
1099 18th Street  
Suite 2750  
Denver, Colorado 80202

George O. Mallon, Jr.  
9350 Paradise Lane  
Broomfield, Colorado 80020

Karen E. McClintock  
1405 Bacchus Drive  
Unit F  
Lafayette, Colorado 80026

Exhibit "A"  
Working Interest Owners  
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James E. McGowen  
2005 Glenwood Drive  
Boulder, Colorado 80302

Mesa Grande Ltd.  
Attn: Larry Sweet  
1305 Philtower Building  
Tulsa, Oklahoma 74103

David L. Mikesch  
7993 South Trenton Street  
Englewood, Colorado 80112

Roger Mitchell  
Burnsley Hotel  
1000 Grant Street  
Denver, Colorado 80202

Robert A. Mitchem Estate  
c/o First Interstate Bank  
Acct. No. 1390800  
Trust Minerals 023  
Post Office Box 5825  
Denver, Colorado 80217

Robert J. and Kathryn L.  
Mohrbacher  
6551 West Calhoun Place  
Littleton, Colorado 80123

Mountain States Natural Gas Corporation  
6723 East 99th Street  
Tulsa, Oklahoma 74133

Carlyle A. Peterson  
4752 Kellogg Circle  
Boulder, Colorado 80302

R. B. Operating Company  
Attn: Larry Rampy  
2 Warren Place  
6120 South Yale  
Suite 1700  
Tulsa, Oklahoma 74136

Reading & Bates Petroleum Company  
3200 Mid-Continent Tower  
Tulsa, Oklahoma 74103

Thomas, Ltd.  
Post Office Box 809  
Brewton, Alabama 36426

Duer Wagner, Jr., and Duer Wagner, III  
3400 City Center, Tower II  
301 Commerce Street  
Fort Worth, Texas 76102

Exhibit "B"

NAME AND ADDRESS LIST  
SECTION 12, T25N-R2W, N.M.P.M.  
RIO ARriba COUNTY, NEW MEXICO

OVERRIDING ROYALTY INTEREST OWNERS

	<u>PERCENT</u>
Virginia L. Allyn 22 Cottage Street Marion, Massachusetts 02738	.086955% of 7/8ths
American Penn Energy, Inc. 1600 Bow Valley Square II 205 Fifth Avenue, S. W. Calgary, Alberta, Canada T2P 2V7	4% of 8/8ths
John Craig Cartmill 606 Mayo Building Tulsa, Oklahoma 74103	.1999965% of 7/8ths
Nancy L. Cook 6248 S. Niagara Englewood, Colorado 80111	1.575% of 8/8ths
Cyprus Mines Corporation, a New York Corp. P. O. Box 3299 Englewood, Colorado 80155	0.5% of 8/8ths
Elizabeth G. Eldson Rt. 3, Box 29 Wellston, Oklahoma 74881	.0289866% of 7/8ths
Kevin M. Fitzgerald 66 North Ranch Road Littleton, Colorado 80127	W $\frac{1}{2}$ NW $\frac{1}{4}$ - 0.56% of 8/8ths SW $\frac{1}{4}$ - .518% of 8/8ths, BPO, .350175% of 8/8ths, APO SW $\frac{1}{4}$ Limited to formations lying between the base of the Pictured Cliffs and a depth of 8,150 feet.
James B. Fullerton P. O. Box 2368 Denver, Colorado 80201	.97100% of 7/8ths
James H. Gardner, Jr. 6018 S. 92nd E. Avenue Tulsa, Oklahoma 74145	.2705333% of 7/8ths
Elizabeth L. Gilmore, substitute Trustee of the James David Gilmore Testamentary Trust 5620 Charlott Fort Worth, Texas 76112	.0289866% of 7/8ths

NAME AND ADDRESS LIST  
SECTION 12, T25N-R2W, N.M.P.M.  
RIO ARriba COUNTY, NEW MEXICO

OVERRIDING ROYALTY INTEREST OWNERS

	<u>PERCENT</u>
Robert B. Gilmore 400 One Energy Square Dallas, Texas 75206	.0289866% of 7/8ths
Estate of L. L. Henry c/o Mary M. Henry 328 South Centre Lancaster, Texas 75146	.1739100% of 7/8ths
A. G. Hill 5000 Thanksgiving Tower Dallas, Texas 75201	9.875% of 8/8ths, from base of Pictured Cliffs to stratigraphic equivalent of 8,150 feet as found in #12-5 Johnson Fed. well, convertible after-P.O. of said well to 40% of the W.I.
Joe B. Houston 200 Drew Building Tulsa, Oklahoma _____ (Last Known Address)	.0130432% of 7/8ths
Catheryne C. Johnson 7862 S. Valentia Way Englewood, Colorado 80112	1.925% of 8/8ths
Estate of Gerald B. Klein c/o Tomas Klein 4146 South Harvard Tulsa, Oklahoma 74135	.0130432% of 7/8ths
Kodiak Petroleum, Inc. 44 Inverness Drive, East, Bldg. D, Suite B Englewood, Colorado 80112	1% of 8/8ths, BPO 1.5% of 8/8ths, APO Limited to formations lying between the base of the Pictured Cliffs and a depth of 8,150 feet.
Charles W. Lovejoy, Jr. 32 Surplus Street P. O. Box 1269 Duxbury, Massachusetts 02331	.086955% of 7/8ths
Mallon Oil Company 1099 18th Street, Suite 2750 Denver, Colorado 80202	1.4% of 8/8ths

NAME AND ADDRESS LIST  
SECTION 12, T25N-R2W, N.M.P.M.  
RIO ARriba COUNTY, NEW MEXICO

OVERRIDING ROYALTY INTEREST OWNERS

	<u>PERCENT</u>
Mesa Grande Resources, Inc. 1200 Philtower Building Tulsa, Oklahoma 74103	.0085695% of 7/8ths
David L. Mikesh 7993 S. Trenton Street Englewood, Colorado 80112	W <sub>1</sub> /4 - 1.4% of 8/8ths SW <sub>1</sub> - 1.295% of 8/8ths, BPO, 0.8754375% of 8/8ths, APO Limited to formations lying between the base of the Pictured Cliffs and a depth of 8,150 feet.
Estate of H. E. Milliken and Goldie Milliken c/o Kenneth P. Milliken, Executor 575 Walnut Street Waynesburg, Pennsylvania 15370	.0434775% of 7/8ths
Dr. William Kenneth Newill 804 S. Pittsburg Street Connellsville, Pennsylvania 15425	.0434775% of 7/8ths
Northwest Pipeline Corporation P. O. Box 8900 Salt Lake City, Utah 84108-8900	3% of 8/8ths below base of Pictured Cliffs, to 150 feet below base of Dakota
R. B. Operating Company 3100 Mid Continent Tower Tulsa, Oklahoma 74103	.3443715% of 7/8ths
RAMCO-NYL 1987, Ltd. Address Unknown	.0034785% of 7/8ths
San Juan Gas Corporation 1200 Philtower Building Tulsa, Oklahoma 74103	2.25% of 8/8ths below base of Mesa Verde
Erin White Schaefer 5835 Stadium Street San Diego, California 92122	.5188365% of 7/8ths
Judith Gardner Weaver 4773 Greencroft Road Sarasota, Florida 34235	.1352667 of 7/8ths
L. W. Wickes Agent Corp. 10880 Wilshire Blvd., Suite 500 Los Angeles, California 90024	1% of 8/8ths



Exhibit "C"

ROYALTY INTEREST OWNERS

Larry L. Woodard, State Director  
New Mexico State Office  
U. S. Department of the Interior  
Bureau of Land Management  
Post Office Box 1449  
Santa Fe, New Mexico 87504-1449

Robert T. Dale, District Manager  
Albuquerque District Office  
U. S. Department of the Interior  
Bureau of Land Management  
435 Montano, N.E.  
Albuquerque, New Mexico

Ron Fellows, Area Manager  
Farmington Resource Area Office  
U. S. Department of the Interior  
Bureau of Land Management  
1235 La Plata Highway  
Farmington, New Mexico 87401