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January 18, 1985

HAND DELIVERED

Case 8423

RECEIVED

JAN 18 1985

OIL CONSERVATION DIVISION

Mr. R. L. Stamets, Director
Oil Conservation Division
New Mexico Department of
Energy and Minerals
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Application of MTS Limited Partnership for Compulsory
Pooling, A Non-Standard Gas Proration Unit, and an
Unorthodox Gas Well Location, Lea County, New Mexico.

Dear Mr. Stamets:

Enclosed in triplicate is the application of MTS Limited Partnership in the above-referenced case. MTS Limited Partnership respectfully requests that this matter be included on the docket for the January 30, 1985 Examiner hearings.

Your attention to this request is appreciated.

Very truly yours,



J. Scott Hall

WFC/JSH/cv
enclosures

cc: Mr. Steven C. James

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION
OF MTS LIMITED PARTNERSHIP FOR
COMPULSORY POOLING, A NON-STANDARD
GAS PRORATION UNIT, AND AN UNORTHODOX
GAS WELL LOCATION, LEA COUNTY, NEW
MEXICO.

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OIL CONSERVATION DIVISION

Case 8473

APPLICATION

Comes now, MTS LIMITED PARTNERSHP, by and through its undersigned attorneys, and, as provided by Section 70-2-17, N.M.S.A. (1978), hereby makes application for an order pooling all of the mineral interests from the surface to the top of the Wolfcamp Formation underlying Lots 9, 10, 15 and 16 of Section 3, Township 16 South, Range 35 East, N.M.P.M., Lea County, New Mexico, to form a standard 160-acre proration unit and pooling all of the mineral interests from the top of the Wolfcamp to the base of the Morrow formation underlying Lots 1, 2, 7, 8, 9, 10, 15 and 16 of said Section 3 to form a non-standard 338.59-acre gas proration unit and approval of an unorthodox gas well location, and in support thereof would show the Division:

1. Applicant owns or represents approximately 93.75% of the working interest in and under the spacing unit comprised of Lots 9, 10, 15 and 16 of Section 3, and approximately 96.875% of the working interest under the spacing unit comprised of Lots 1, 2, 7, 8, 9, 10, 15 and 16 of said Section 3, and applicant has a right to drill thereon.

2. Applicant proposes to dedicate the above-referenced pooled units to a well to be drilled at an unorthodox location 3,806 feet from the North line and 2,193 feet from the East line of said Section 3.

3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all interest owners in the subject acreage except the owners of a tract which represents approximately 6.25% of the spacing unit comprised of Lots 9, 10, 15 and 16, and approximately 3.125% of the spacing unit comprised of Lots 1, 2, 7, 8, 9, 10, 15 and 16 in said Section 3. This tract is owned jointly by Lillian Hinkle Coll, James N. Coll, Charles H. Coll, Jon F. Coll, and Max W. Coll, II (the address of Max W. Coll, II, is Box EE, Santa Fe, New Mexico 87502) or held by TXO Production Company (900 Wilco Building, Midland, Texas 79701, Attention Jeff Bourgeois).

4. Said pooling of interest and well completion 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 operator of the well to be drilled.

WHEREFORE, applicant prays that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division, and that after notice and hearing as required by law, the Division enter its order pooling the lands, 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 and further provisions as may be proper in the premises.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By 

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Post Office Box 2208
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ATTORNEYS FOR MTS LIMITED
PARTNERSHIP