

September 16, 1985

MS

Case 8718

Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Township 20 South, Range 38 East, NMPM
Section 13: SE/4 NW/4
Lea County, New Mexico

Gentlemen:

Enclosed for filing, please find three copies of the Application of TXO Production Corp. for Compulsory Pooling, Lea County, New Mexico.

We ask that this matter be set for hearing before an Examiner, at the Examiner Hearing of October 9, 1985, and that we be furnished with a docket of said hearing.

Thank you.

Sincerely yours,

DICKERSON, FISK & VANDIVER

Chad Dickerson

Chad Dickerson

CD:pvm
Enclosures

cc w/enclosure: Mr. Jeff Bourgeois

BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :
TXO PRODUCTION CORP. FOR COMPULSORY :
POOLING, LEA COUNTY, NEW MEXICO : CASE NO. 5718
_____ :

APPLICATION

COMES NOW TXO Production Corp., by its attorneys, and
in support hereof, respectfully states:

1. Applicant is the operator of all formations from
the surface through the base of the Abo formation (at approximate-
ly 7,700 feet), underlying:

Township 20 South, Range 38 East, N.M.P.M.

Section 13: SE/4 NW/4

containing 40 acres, more or less,
and proposes to drill a well at a point located 1,980 feet from
the north line and 1,980 feet from the west line of said Section
13, to a depth sufficient to test the Abo formation.

2. A standard 40-acre proration unit should be dedi-
cated to such well or to such lesser portion thereof as is reason-
ably shown to be productive of oil.

3. There are interest owners in the SE/4 NW/4 Sec-
tion 13 who have not agreed to pool their interests, and the
names and addresses of such parties are as follows:

Union Texas Petroleum Corporation
4000 North Big Spring, Suite 500
Midland, Texas 79705
Attention: Mr. Larry Crowder

Amerada Hess Corporation
P. O. Box 2040
Tulsa, Oklahoma 74102
Attention: Mr. William E. Hough

Mr. Roy G. Barton, Jr.
P. O. Box 78
Hobbs, New Mexico 88240

Ms. Opal Barton
P. O. Box 78
Hobbs, New Mexico 88240

~~Mr.~~ Mr. Ray Pierce
P. O. Box PP
Eunice, New Mexico 88230

Mr. Robert Love, Trustee of the
Annie Lee Kornegay Estate
P. O. Box 1099
Hobbs, New Mexico 88240

— Mr. Ted Weiner and the heirs and
devisees of Stanley Weiner,
who appear to be Charles Weiner
and Marjorie Weiner Bodzy
c/o Texas Crude Oil Company
2100 Texas Crude Building
Houston, Texas 77002
Attention: Mr. K. C. Weiner

— Mr. Ronald J. Byers
1600 United Bank Tower
400 West 15th Street
Austin, Texas 78701

First National Bank of Lubbock,
Trustee of the Testamentary
Trusts of J. E. Simmons and
Beulah H. Simmons
P. O. Box 1241
Lubbock, Texas 79408

4. Applicant should be designated the operator of the well and the proration unit.

5. 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, its just and fair share of the oil and gas in said unit, all mineral interests, whatever they may be, from the surface to the base of the Abo formation, underlying SE/4 NW/4 Section 13 should be pooled as to such oil proration unit as may be established as productive.

6. That any non-consenting working interest owner that does not pay its share of estimated well costs should have withheld from production its 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.

7. 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.

8. The approval of this application will afford applicant the opportunity to produce its just and equitable share of oil and gas, will prevent economic loss caused by the drilling

of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

WHEREFORE, applicant prays:

A. That this application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. That upon hearing the Division enter its order pooling all mineral interests, whatever they may be, from the surface to the base of the Abo formation, or such lesser portion as may be productive of oil and gas and dedicated to applicant's well.

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

TXO PRODUCTION CORP.

By: 
Chad Dickerson

DICKERSON, FISK & VANDIVER
Seventh and Mahone, Suite E
Artesia, New Mexico 88210
(505) 746-9841

Attorneys for Applicant

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