

BEFORE THE OIL CONSERVATION DIVISION RECEIVED

DEPARTMENT OF ENERGY AND MINERALS ADDITIONAL

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF HCW EXPLORATION INC., FOR AN
AMENDMENT TO DIVISION ORDER R-8071,
LEA COUNTY, NEW MEXICO.

CASE: 9894

A P P L I C A T I O N

Comes now, HCW Exploration, Inc., by and through its attorneys, Kellahin & Kellahin, and applies to the New Mexico Oil Conservation Division for an order amending Division Order R-8071 and as grounds therefore states:

1. On April 30, 1985, HCW Exploration, Inc., applied to the New Mexico Oil Conservation Division for an order pooling all of the mineral interest from the surface to the base of the Jalmat formation underlying the SE/4 of Section 27, T23S, R36E, Lea County, New Mexico, in order for applicant to obtain its just and fair share of the oil and gas underlying the subject lands.

2. On November 19, 1985, the Division entered order R-8071 pooling all mineral interests, what ever they may be, in any gas pool through the base of the Jalmat Gas Pool.

3. Doyle Hartman is a working interest owner in the SE/4 of said section.

4. After notice and hearing, Doyle Hartman's interest in the oil and gas minerals underlying the SE/4 of said section were pooled pursuant to Order R-8071.

5. In accordance with the terms and conditions of the Order R-8071 Mr. Hartman was notified and failed to timely prepay his share of the costs of the subject well and is, therefore a non-consenting pooled party.

6. That on February 27, 1986, applicant, HCW Exploration, Inc., completed its George Etz Well #6 in Unit P of Section 27, T23S, R36E, Lea County, New Mexico, said well being drilled and completed pursuant to Order R-8071.

7. That applicant believes that the subject well will be an oil well completed in the Jalmat Gas Pool.

8. Order R-8071 should be amended to approve a 40 acre oil proration unit in the SE/4SE/4 of Section 27, T23S, R36E, to be dedicated to the George Etz Well #6 in the event said well is an oil well, and to provide that the time limits for voluntary participation presently set forth in Order R-8071 shall continue in full force and effect. Further, said Order should be amended to provide for a 160 acre non-standard proration unit in the event the well is now or becomes a gas well.

WHEREFORE, applicant prays that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on May 14, 1986, and that after

notice and hearing as required by law, the Division enter its order amending Division Order R-8071 and making such other and further provisions as may be proper in the premises.

Kellahin & Kellahin

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