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October 4, 1988

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Case 9515

OIL CONSERVATION DIVISION

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

Re: In the Matter of the Application of OXY USA Inc., for
Compulsory Pooling, Lea County, New Mexico

Dear Mr. LeMay:

Enclosed is the Application of OXY USA Inc. in the above-referenced case. OXY USA Inc. respectfully requests that this matter be placed on the docket for the Examiner hearings scheduled on October 26, 1988.

Very truly yours,


WILLIAM F. CARR

WFC:mlh

Enclosures

cc w/enclosures: Mr. Bill Seltzer

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

IN THE MATTER OF THE APPLICATION
OF OXY USA INC., FOR
COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

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CASE NO. 9515

OIL CONSERVATION DIVISION

APPLICATION

COMES NOW OXY USA INC., by and through its undersigned attorneys, and as provided by Section 70-2-17, N.M.S.A. (1978), hereby makes application to the Oil Conservation Division for an order pooling all of the mineral interests in the Wolfcamp and Bone Springs formations and in any and all formations developed on 40-acre spacing or proration units in and under the SE/4 SE/4 and in the NE/4 SE/4 of Section 29, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico, and in support thereof would show the Division:

1. Applicant owns or represents approximately 75% of the working interest in and under the SE/4 SE/4 and the NE/4 SE/4 of Section 29. Ownership of the mineral interest is common throughout the SE/4 of Section 29.

2. Applicant proposes to dedicate the above-referenced pooled units to wells to be located at standard locations on each spacing or proration units. Each well will be drilled to an approximate depth of 10,500 feet.

3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other interest owners in each of the proposed pooled units except for the following:

Estate of Mrs. Michael Harrell
c/o Mervin Harrell
Route 1, Box 142
Tremont, Mississippi 38876

Apparent Heirs:

Mervin Harrell
Route 1, Box 142
Tremont, Mississippi 38876

W. M. Harrell
207 Lake Street
Trussville, AL 35173

O. U. Harrell Estate
c/o Joyce Windham
115 Woodglen Place
Brandon, Mississippi 39042

Heirs:
Joyce Windham
Joan Harrell
Dr. Rebecca Harrell

Vera L. Chism
Route 1, Box 461
Fulton, Mississippi 38843

Michele Alverson
Route 5, Box 91
Haleyville, AL 35565

Margie H. Pounders
Route 2, Box 249
Golden, Mississippi 38847

Enola F. Pounders
Post Office Box 251
Haleyville, AL 35565

Estate of Mellie Stanford
Charles B. Stanford and
Harold P. Stanford, heirs
Route 4
Sulligent, AL 35586

Coleman Jackson
Route 5, Box 71
Lawrenceberg, TN 38464

Estate of Edna Davis
c/o Bill Davis
Route 1, Box 72
Bina, AL 35593

Hal Jackson
Route 11, Box 350
Jasper, OK 35501

John C. Jackson
1180 North Pine
Marshfield, MO 65706

Joseph T. Jackson
12553 Mantilla Road
San Diego, CA 92128

H. T. Stanford
Post Office Box 3392
Oxford, AL 36201

Dorothy L. Jackson
Post Office Box 764
Winter Haven, FL 33884

Estate of Orbery Jackson
c/o Mrs. Orbery Jackson
Route 2, Box 97
Prospect, TN 38477

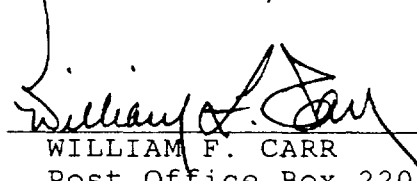
4. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

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 the Applicant should be designated the operator of the well.

WHEREFORE, Applicant prays that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on October 26, 1988, 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 wells, 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 wells, and making such other and further provisions as may be proper in the premises.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By: 

WILLIAM F. CARR
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

ATTORNEYS FOR OXY USA INC.