



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

*WJL Carr
Case file*

GARREY CARRUTHERS
GOVERNOR

January 30, 1989

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

William F. Carr, Esq.
P. O. Box 2208
Santa Fe, New Mexico 87504-2208

Re: Oil Conservation Division Case No. 9515
In the Matter of the Application of
OXY USA, Inc. for Compulsory Pooling,
Lea County, New Mexico

Dear Mr. Carr:

In response to your letter dated January 26, 1989, the time for your commencement of drilling the well which was the subject of Case No. 9515 is hereby extended to March 15, 1989.

Sincerely,

A handwritten signature in cursive script, appearing to read "W. J. Lemay".

for WILLIAM J. LEMAY,
Director

WJL/VTL/dr

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
J. SCOTT HALL
JOHN H. BEMIS
MARTE D. LIGHTSTONE
PATRICIA A. MATTHEWS

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

January 26, 1989

HAND-DELIVERED

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

RECEIVED
JAN 26 1989
OIL CONSERVATION DIVISION

Re: Oil Conservation Division Case No. 9515
In the Matter of the Application of OXY USA, Inc. for
Compulsory Pooling, Lea County, New Mexico;

Dear Mr. LeMay:

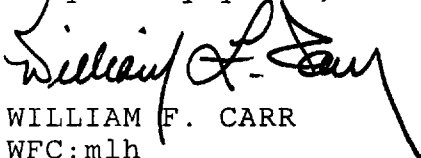
On October 26, 1988 the above-referenced case was heard before Examiner Michael E. Stogner and on November 7, 1988 Order R-8785 was entered pooling the NE/4 SE/4 of Section 29, Township 19 South, Range 36 East, N.M.P.M., Lea County, New Mexico. This Order authorized OXY to drill a well to the Undesignated East Pearl-Queen Pool, Undesignated Eunice Monument-Grayburg-San Andres Pool and Undesignated Eumont Gas Pool, on or before January 31, 1989. At the time of the hearing the case was consolidated with Case No. 9514 which was also an application by OXY USA, Inc. to drill a well to the same formations in the SE/4 SE/4 of said Section 29.

Due to unexpected title problems and the work which was required to correct them, OXY was unable to commence the wells in the time frame initially anticipated. OXY is currently drilling the well in the SE/4 SE/4 pursuant to the provisions of Order R-8784 which pooled that land. However, it will be impossible to commence the well in the NE/4 SE/4 of said Section 19 by January 31, 1989 as required by Order R-8785.

OXY therefore requests that you extend the time frame for commencing this well as provided in Order R-8785 for forty-five days to March 15, 1989.

If you have questions concerning this request please advise.

Very truly yours,


WILLIAM F. CARR
WFC:mlh

cc: Bill Seltzer

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
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January 27, 1989

HAND-DELIVERED

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

JAN 30 1989
OIL CONSERVATION DIVISION

Re: Oil Conservation Division Case No. 9515
In the Matter of the Application of OXY USA, Inc. for
Compulsory Pooling, Lea County, New Mexico;

Dear Mr. LeMay:

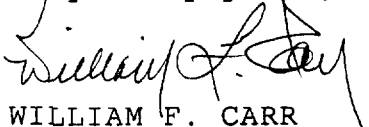
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Due to unexpected title problems and the work which was required to correct them, OXY was unable to commence the wells in the time frame initially anticipated. OXY is currently drilling the well in the SE/4 SE/4 pursuant to the provisions of Order R-8784 which pooled that land. However, it will be impossible to commence the well in the NE/4 SE/4 of said Section 29 by January 31, 1989 as required by Order R-8785.

OXY therefore requests that you extend the time frame for commencing this well as provided in Order R-8785 for forty-five days to March 15, 1989.

If you have questions concerning this request please advise.

Very truly yours,


WILLIAM F. CARR

WFC:mlh

cc: Bill Seltzer

OK
Write letter
intending to
1/31/89

ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

OXY USA, Inc.

FLORENE DAVIDSON
OC Staff Specialist

Other _____



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

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

October 28, 1988

Navarro, Mills & Davis
P.O. Box 532
Aberdeen, MS 39730

Attention: Deborah S. Davis

RE: NMOCD Cases Nos. 9514 and 9515

Dear Ms. Davis:

Per your letters dated October 17 and 18, 1988, attached is the information that we have on the two OXY, USA wells at this time. I would suggest that at a later date you request from our Hobbs District office copies of Forms C-101 (Application to Drill) and C-102 (Acreage Plat) for each well.

I will also forward to you copies of the orders issued in the two cases when finalized.

Sincerely,

A handwritten signature in cursive script, appearing to read "Michael E. Stogner".

Michael E. Stogner
Petroleum Engineer

MES/ag

cc: William F. Carr

Dockets Nos. 33-88 and 34-88 are tentatively set for November 9 and November 22, 1988. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 26, 1988

8:15 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

The following cases will be heard before Michael E. Stogner, Examiner, or David R. Catanach, Alternate Examiner:

CASE 9510: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for its New Deal "AFD" Federal Well No. 1 located 1980 feet from the North line and 760 feet from the East line (Unit H) of Section 6, Township 18 South, Range 25 East, to test all formations and/or pools from the top of the Wolfcamp formation to the base of the Mississippian formation (which includes but is not necessarily limited to the Eagle Creek Permo-Pennsylvanian Gas Pool, Undesignated Eagle Creek-Strawn Gas Pool and the Undesignated Richard Knob Atoka-Morrow Gas Pool), Lots 1, 2, 3, 4, and 5, the SE/4 NW/4, and the S/2 NE/4 of said Section 6 to be dedicated to said well forming a standard 324.66-acre gas spacing and proration unit. Said well is located approximately 10 miles southwest by west of Artesia, New Mexico.

CASE 9413: (Continued from September 28, 1988, Examiner Hearing.)

Application of Yates Petroleum Company for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of temporary special pool rules for the Avalon-Delaware Pool located in portions of Township 20 South, Ranges 27 and 28 East, including a provision to increase the gas-oil ratio limitation to 5,000 cubic feet of gas per barrel of oil. Said area is located approximately 9 miles north of Carlsbad, New Mexico.

CASE 9497: (Continued from October 12, 1988, Examiner Hearing.)

Application of Corinne B. Grace for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Bell Canyon and Upper Cherry Canyon formations of the East Ross Draw-Delaware Pool in the perforated interval from approximately 3886 feet to 4990 feet in its Zac Federal Well No. 1 located 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 25, Township 26 South, Range 30 East. Said well is located approximately 1/4 mile north-northwest of Monument No. 45 on the Texas/New Mexico stateline.

CASE 9511: Application of Phillips Petroleum Company for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced water into the South Peterson-Fusselman Pool and Montoya formation in the perforated interval from approximately 7892 feet to 7944 feet in its Lambirth "A" Well No. 6 located 1830 feet from the South line and 1980 feet from the East line (Unit J) of Section 30, Township 5 South, Range 33 East, which is located 10.5 miles west of Pep, New Mexico.

CASE 9391: In the matter of Case 9391 being reopened upon the application of Foran Oil Company in order to add the Home-Stake Royalty Corporation and the Home-Stake Oil and Gas Company to Division Order No. R-8674, which is the order resulting from said Case 9391 providing for the compulsory pooling of all mineral interests in the Strawn formation underlying the E/2 SE/4 of Section 7, Township 16 South, Range 37 East, Northeast Lovington-Pennsylvanian Pool. Said unit is located approximately 4 miles east by south of the junction of U.S. Highway 82 and New Mexico State 18 in Lovington, New Mexico.

CASE 9491: (Readvertised)

Application of Foran Oil Company for simultaneous dedication, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks to simultaneously dedicate a standard 320-acre gas spacing and proration unit in the Diamond Mound Atoka-Morrow Gas Pool consisting of the W/2 of Section 36, Township 15 South, Range 27 East, to the existing State "ET" Well No. 1 located at a standard gas well location 990 feet from the North line and 1650 feet from the West line (Unit C) of said Section 36 and to a second well to be drilled at a standard gas well location in the SW/4 of said Section 36. Said unit is located approximately 14 miles east-northeast of Artesia, New Mexico.

CASE 9475: (Continued from September 28, 1988, Examiner Hearing.)

Application of Meridian Oil, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Gavilan-Mancos Oil Pool underlying all of Section 2, Township 26 North, Range 2 West, to form a 638.28-acre, more or less, standard oil spacing and proration unit for said pool, to be dedicated to a well to be drilled at a standard oil well location in Lot 3 of said Section 2. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 14 miles north of Lindrieth, New Mexico.

CASE 9476: (Continued from September 28, 1988, Examiner Hearing.)

Application of Meridian Oil, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Gavilan-Mancos Oil Pool underlying all of Section 3, Township 26 North, Range 2 West, to form a 636.80-acre, more or less, standard oil spacing and proration unit for said pool, to be dedicated to a well to be drilled at a standard oil well location in the SW/4 NW/4 (Unit E) of said Section 3. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 14 miles north of Lindrieth, New Mexico.

CASE 9435: (Reopened and Readvertised)

Application of Union Oil Company of California d/b/a Unocal for a non-standard gas proration unit and unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location in the Undesignated House Yates-Seven Rivers Gas Pool for a well to be drilled in Lot 1 at a point 600 feet from the North line of Irregular Section 5, Township 20 South, Range 39 East, and 330 feet East of the western boundary of Lot 1 in said Section 5, said well to be dedicated to Lots 1 and 4 of said Section 5 thereby forming a 58.72-acre non-standard gas proration and spacing unit for said pool. Said location is approximately 3.75 miles S 73° E of Nadine, New Mexico.

CASE 9490: (Continued from September 28, 1988, Examiner Hearing.)

Application of Texaco Producing Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in any and all formations to the base of the Strawn formation underlying the E/2 of Section 17, Township 25 South, Range 36 East, forming a standard 320-acre spacing and proration unit for any and all formations developed on 320-acre spacing. Said unit is to be dedicated to its West Jal B Deep Well No. 1 located at a standard location 1980 feet from the North line and 660 feet from the East line of said Section 17. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 5 1/4 miles west by north of Jal, New Mexico.

CASE 9512: Application of ARCO Oil and Gas Company to reinstate Division Order No. R-4984, simultaneous dedication and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to reinstate Division Order No. R-4984 which authorized the standard 640-acre gas spacing and proration unit in the Jalmat Gas Pool, consisting of Section 14, Township 22 South, Range 36 East, to be simultaneously dedicated to the McDonald "WN" State Wells No. 11 and 27 (Well No. 27 being at an unorthodox gas well location) located in Units D and O, respectively. Applicant further seeks the addition of the McDonald "WN" State Wells No. 28 (authorized by the Division Director by letter dated June 18, 1976) and 31 located in Units F and A, respectively, of said Section 14, said Well No. 31 being at an unorthodox gas well location 660 feet from the North and East lines of said Section 14. Said unit is located approximately 7 miles southwest by west of Eunice, New Mexico.

CASE 9513: Application of Nearburg Producing Company for directionally drilling and an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to reenter the Texas International Petroleum Corp. Byers Well No. 1 located 660 feet from the South and West lines (Unit M) of Section 12, Township 17 South, Range 37 East, wherein the applicant proposes to deviate from vertical at a depth of approximately 7000 feet and bottom said wellbore in the Strawn formation at a subsurface unorthodox oil well location 330 feet from the South line and 990 feet from the West line of said Section 12. IN THE ALTERNATIVE, should re-entry into the aforementioned well be unsuccessful, the applicant seeks to drill a well at an unorthodox oil well location 330 feet from the South line and 990 feet from the West line (Unit M) of Section 12. In either case, the S/2 SW/4 of said Section 12 is to be dedicated to the appropriate well forming a standard 80-acre oil spacing and proration unit for either the Undesignated Humble City-Strawn Pool or South Humble City-Strawn Pool. The proposed unit is located approximately 4.75 miles west of Knowles, New Mexico.

CASE 9514: Application of OKY USA, Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the SE/4 SE/4 (Unit P) of Section 29, Township 19 South, Range 36 East, to form a standard 40-acre oil spacing and proration unit for any and all pools or formations developed on statewide 40-acre spacing (which includes but is not necessarily limited to the Undesignated East Pearl-Queen Pool, Undesignated Eunice Monument-Grayburg-San Andres Pool, and an oil well in the Undesignated Eumont Gas Pool), to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 6 miles west of Monument, New Mexico.

✓CASE 9515: Application of OXY USA, Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the NE/4 SE/4 (Unit I) of Section 29, Township 19 South, Range 36 East, to form a standard 40-acre oil spacing and proration unit for any and all pools or formations developed on statewide 40-acre spacing (which includes but is not necessarily limited to the Undesignated East Pearl-Queen Pool, Undesignated Eunice Monument-Grayburg-San Andres Pool, and an oil well in the Undesignated Eumont Gas Pool), to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 6 miles west of Monument, New Mexico.

CASE 9516: Application of Amoco Production Company for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Gavilan-Mancos Oil Pool underlying all of Section 2, Township 26 North, Range 2 West, forming a standard 636.80-acre oil spacing and proration unit for said pool to be dedicated to a well to be drilled at a standard oil well location therein. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 4 miles east of Ojito, New Mexico Post Office.

CASE 9517: Application of Amoco Production Company for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Gavilan-Mancos Oil Pool underlying all of Section 3, Township 26 North, Range 2 West, forming a standard 638.28-acre oil spacing and proration unit for said pool to be dedicated to a well to be drilled at a standard oil well location therein. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 8 miles north of Lindrith, New Mexico.

CASE 9501: (Continued from October 12, 1988, Examiner Hearing.)

Application of Mobil Producing Texas and New Mexico Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the base of the Pictured Cliffs formation to the base of the Dakota formation underlying all of Section 28, Township 24 North, Range 1 West, forming a 640-acre spacing and proration unit for the West Puerto Chiquito-Mancos Oil Pool or other pools having 640-acre spacing; the E/2 of said section for the Basin-Dakota Pool or any other pools having 320-acre spacing, or the SW/4 NE/4 of said section for pools and/or formations having 40-acre spacing. Said unit is to be dedicated to a well to be drilled at a standard location in said Section 28. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said units are located approximately 6½ miles north of Regina, New Mexico.

CASE 9488: (Continued from October 12, 1988, Examiner Hearing.)

Application of BHP Petroleum Company for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the base of the Pictured Cliffs formation to the base of the Dakota formation or to a depth of 8100 feet, whichever is deeper, underlying Section 28, Township 24 North, Range 1 West, forming a 640-acre spacing and proration unit for the West Puerto Chiquito Mancos-Oil Pool or other pools having 640-acre spacing; the E/2 of said section for pools having 320-acre spacing, or the SW/4 NE/4 of said section for pools having 40-acre spacing. Said unit is to be dedicated to a well to be drilled at a standard location in said Section 34. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said units are located approximately 6½ miles north of Regina, New Mexico.

CAMPBELL & BLACK, P.A.
LAWYERS

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BRUCE D. BLACK
MICHAEL B. CAMPBELL
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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.

RECEIVED

OCT 1 1988

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.

CAMPBELL & BLACK, P.A.

LAWYERS

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BRUCE D. BLACK
MICHAEL B. CAMPBELL
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Case 9514

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Santa Fe, New Mexico 87503

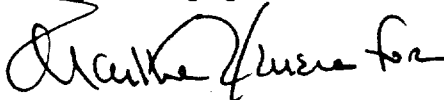
OIL CONSERVATION DIVISION

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Compulsory Pooling, Lea County, New Mexico

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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.

RECEIVED

OCT 11 1977

CASE NO. 9514

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.

		HANLEY 2/14/90 OXY 7/25/93			
19		OXY HANLEY 7/21/93 2/14/90		21	
		AMOCO 1/21/89	AMOCO 1/21/89	HANLEY 7/1/90	OXY 8/31/90 6/12/90
		AMOCO 1/21/89	AMOCO 1/21/89	OXY 4/4/91 6/29/93	
OXY 1/1/93 12/16/92	OXY 12/21/92 AMOCO 1/24/89	OXY 12/16/92 AMOCO 1/24/89	OXY 2/1/93 Federal	OXY 8/31/90 6/12/90	OXY 8/31/90 HANLEY 4/1/91 7/1/88 State State
30		AMOCO HBP State	OXY 8/17/93	29	23
OXY 12/16/92	HANLEY 6/1/93 Federal			OXY 10/30/89 OXY 11/10/89 HANLEY 1/26/90	OXY 2/26/89
NEARBURG PET. 8/17/93 Federal			OXY 7/10/90		
OXY 11/28/93	AMOCO 2/16/89 2/13/89	OXY 9/10/92 HANLEY 10/21/90	OXY 9/2/92 HANLEY 10/21/90		
3 1		3 2		3 3	
OXY 12/22/92 12/16/92 3/14/93	OXY 4/1/93 AMOCO 2/23/89	OXY 9/2/92	OXY 10/28/90	OXY 11/19/90 10/28/90	AMERADA H.B.P.
		OXY 9/2/92			
		OXY 9/2/92			
		OXY 9/15/92			

R 36 E
Land Plat

Lea County, New Mexico
OXY USA, Inc.



OXY USA Inc. Snyder Ranch "A" #1



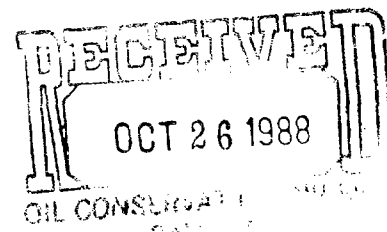
OXY USA Inc. Snyder Ranch "A" #2

BEFORE EXAMINER STOGNER
OIL CONSERVATION DIVISION

EXHIBIT NO. 1

CASE NO. 9514 + 9515

NAVARRO, MILLS & DAVIS
ATTORNEYS AT LAW
102 WEST COMMERCE STREET
POST OFFICE BOX 532
ABERDEEN, MISSISSIPPI 39730



JEFFERY M. NAVARRO
MICHAEL P. MILLS
DEBORAH S. DAVIS

MARK D. RAY

October 18, 1988

TELEPHONE
(601) 369-7073

Mr. Michael Stogner
Petroleum Engineer
New Mexico Oil Conservation Division
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

Re: Proposed oil and gas leases
Township 19 South, Range 36 East, NMPM
Lea County, New Mexico
Section 17: SW 1/4 SW 1/4
Section 20: N 1/2
Section 29: SE 1/4

Dear Mr. Stogner:

This is to advise you that I also now represent Bill Davis, Lawrence Davis and Buster Davis, as well as Bobbie Davis, Madgie Brown and Jenny Brown.

As I indicated in my letter of October 17, 1988, my clients have indicated to Mr. Bill Seltzer of Midland, Texas, that they are willing to lease their mineral interests to OXY, USA, Inc. Again, I would appreciate any information you might furnish me concerning the proposed drilling locations, including the size and location of the proposed pools or units.

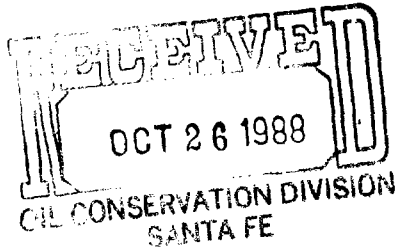
Thank you for your assistance.

Sincerely,

A handwritten signature in cursive script that reads "Deborah S. Davis".
Deborah S. Davis

DSD/egb

cc: Mr. Bill Seltzer, 214 West Texas, Suite 507, Midland, Texas 79701
Mr. Mark A. Hannifin, P. O. Box 11182, Midland, TX 79702
Ms. Madgie Brown, Rt. 1, Box 1A, Tremont, MS 38876
Ms. Jenny Brown, Rt. 5, Box 260, Hamilton, AL 35570
Mr. Bobbie Davis, 636 Magnolia, Tupelo, MS 38801
Mr. Bill Davis, Rt. 1, Box 72, Vina, AL 35593
Mr. Lawrence Davis, 15550 21st Street, Wadsworth, Illinois 60083
Mr. Buster Davis, 154-30th Avenue, Apt. 1-D, Kenosha, Wisconsin 53142



NAVARRO, MILLS & DAVIS
ATTORNEYS AT LAW
102 WEST COMMERCE STREET
POST OFFICE BOX 532
ABERDEEN, MISSISSIPPI 39730

JEFFERY M. NAVARRO
MICHAEL P. MILLS
DEBORAH S. DAVIS

October 17, 1988

TELEPHONE
(601) 369-7073

MARK D. RAY

Mr. Michael Stogner
Petroleum Engineer
New Mexico Oil Conservation Division
310 Old Santa Fe Trail, Room 206
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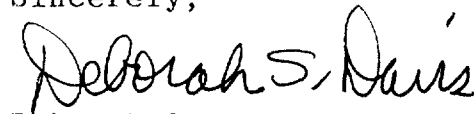
Dear Mr. Stogner:

I represent three owners of mineral interests in the captioned property, located in Lea County, New Mexico. We have been advised by Mr. Bill Seltzer of Midland, Texas, who represents OXY, USA, Inc. that OXY proposes to drill two (2) test wells on the captioned property, and that a hearing for the compulsory pooling of all unleased interests is set for October 26, 1988, in Santa Fe, New Mexico.

My clients, Bobbie Davis, Madgie Brown and Jenny Brown have been contacted by Mr. Seltzer about leasing their mineral interests to OXY, USA, Inc., and by letter this date, I have notified Mr. Seltzer that they are willing to lease those mineral interests. I would, however, appreciate any information you might furnish me concerning the proposed drilling locations, including the size and location of the proposed pools or units.

Thank you for your assistance in this matter.

Sincerely,


Deborah S. Davis

DSD/egb

cc: Mr. Bill Seltzer, 214 West Texas, Suite 507, Midland, Texas 79701

Mr. Mark A. Hannifin, P. O. Box 11182, Midland, TX 79702
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