

December 9, 2008

**HAND-DELIVERED**

Mark E. Fesmire, P.E.  
Director  
Oil Conservation Division  
New Mexico Energy, Minerals and  
Natural Resources Department  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

*Case 14263*

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RECEIVED

**Re: Application of Lynx Petroleum Consultants, Inc. for compulsory pooling, Eddy County, New Mexico.**

Dear Mr. Fesmire:

Enclosed is the application of Lynx Petroleum Consultants, Inc. in the above-referenced case as well as copies of a legal advertisement and notice. Lynx Petroleum Consultants, Inc. requests that this matter be placed on the docket for the January 8, 2009 Examiner hearings.

Sincerely,

  
Ocean Munds-Dry  
Attorney for Lynx Petroleum Consultants, Inc.  
Enclosures

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

**IN THE MATTER OF THE APPLICATION  
OF LYNX PETROLEUM CONSULTANTS, INC.  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

CASE NO. 14263

**APPLICATION**

LYNX PETROLEUM CONSULTANTS, INC., (“Lynx”) through its undersigned attorneys, hereby makes application to the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all mineral interests in the following described spacing unit located in the W/2 of Section 28, Township 20 South, Range 30 East, N.M.P.M., Eddy County, New Mexico to form a 320-acre spacing unit in the Strawn formation. In support of its application, Lynx states:

1. Lynx is a working interest owner in the W/2 of said Section 28 and has the right to drill thereon.
2. Lynx proposes to dedicate the above-referenced spacing or proration units to its Emperor Oil Fed Gas B Com Well No.1. This well is located in Section 28, Township 20 South, Range 30 East, N.M.P.M., to be re-completed in the Strawn formation, Golden Lane Strawn Gas Pool, from a location 1980 feet from the North and West lines of said Section 28, Eddy County, New Mexico.
3. Lynx has sought and been unable to obtain a voluntary agreement for the development of these lands from certain interest owners in the subject spacing units. These owners are identified on **Exhibit A** to this application.
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 Lynx to obtain its just and fair share of the oil and gas underlying the subject lands, all mineral interests should be pooled, and Lynx should be designated the operator of the well to be drilled.

WHEREFORE, Lynx Petroleum Consultants, Inc. requests that this application be set for hearing before an Examiner of the Oil Conservation Division on January 8, 2009 and, after notice and hearing as required by law, the Division enter its order:

- A. pooling all mineral interests in the subject spacing and proration units;
- B. designating Lynx Petroleum Consultants, Inc. operator of these units and the well to be drilled thereon;
- C. authorizing Lynx Petroleum Consultants, Inc. to recover its costs of drilling, equipping and completing the well;
- D. approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. imposing a penalty for the risk assumed by Lynx Petroleum Consultants, Inc. in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well;

Respectfully submitted,

HOLLAND & HART LLP

By: Ocean Munds-Dry

William F. Carr

Ocean Munds-Dry

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

**Attorneys for Lynx Petroleum Consultants, Inc.**

**EXHIBIT A**

**APPLICATION OF  
LYNX PETROLEUM CONSULTANTS, INC. FOR COMPULSORY POOLING  
W/2 OF SECTION 28, TOWNSHIP 20 SOUTH, RANGE 30 EAST, N.M.P.M.  
EDDY COUNTY, NEW MEXICO.**

Ron Grappe  
Edward R. Hudson Trust No. 4  
Mary T. Ard, Trustee  
222 W. Fourth Street PH-5  
Fort Worth, TX 76102

Don Moore  
Moore & Shelton Company, LTD.  
P.O. Box 3070  
Galveston, TX 77552

CASE 14263: **Application of Lynx Petroleum Consultants, Inc. for compulsory pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all mineral interests in a 320-acre spacing unit located in the W/2 of Section 28, Township 20 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. The above-referenced spacing unit will be dedicated to Lynx's Emperor Oil Co Fed Gas B Com Well No. 1 which will be re-completed to the Strawn formation, Golden Lane Strawn Gas Pool, from a location 1980 feet from the North and West lines of 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 Lynx Petroleum Consultants, Inc. as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 15 miles east-northeast of Carlsbad, New Mexico.