

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

**RECEIVED**

IN THE MATTER OF THE APPLICATION  
OF MEDALLION PRODUCTION COMPANY FOR  
COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.

SEP 26 1995

Oil Conservation Division

CASE NO. 11411

**APPLICATION**

COMES NOW MEDALLION PRODUCTION COMPANY, through its undersigned attorneys, hereby makes application pursuant to the provisions of N.M.Stat. Ann. § 70-2-17, (1978), for an order pooling all mineral interests in the S/2 of Section 9, Township 20 South, Range 25 East, N.M.P.M., Eddy County, New Mexico, and in support thereof states:

1. Applicant owns 56.25% of the working interest in the S/2 of Section 9, and applicant has the right to drill thereon.
2. Applicant proposes to dedicate the above-referenced spacing or proration unit to its Harris No. 1 Well to be drilled to an orthodox location in the S/2 of said Section 9, to a depth sufficient to test any and all formations from the surface to the base of the Morrow formation, Undesignated Cemetery-Morrow Pool.
3. Applicant has sought and been unable to obtain either voluntary agreement for pooling or farmout from certain interest owners in the S/2 of said Section 9.
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, all mineral interests should be pooled and Medallion Production Company should be designated the operator of the well to be drilled.

WHEREFORE, Applicant prays that this application be set for hearing before an Examiner of the Oil Conservation Division on October 19, 1995, and 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 well, 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 well.

Respectfully submitted,

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