

BEFORE THE

RECEIVED

APR 14 1996

OIL CONSERVATION DIVISION

Oil Conservation Division

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND
NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION
OF TEXACO EXPLORATION AND PRODUCTION INC.
FOR COMPULSORY POOLING,
SAN JUAN COUNTY, NEW MEXICO.

CASE NO. 11632

APPLICATION

TEXACO EXPLORATION AND PRODUCTION INC. ("Texaco"), 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 gas interests in the Mesaverde formation in the E/2 of Section 32, Township 30 North, Range 11 West, N.M.P.M., San Juan County, New Mexico, and in support thereof states:

1. Texaco owns or represents approximately 77.66% of the working interest in and under the E/2 of said Section 32 and has the right to drill thereon.
2. Texaco proposes to dedicate the above-referenced spacing or proration unit to its Fed. State Com Well No. 2 which it proposes to drill at a standard location 850 feet from the South line and 1,700 feet from the East line of said Section 32 to test the Mesaverde formation.
3. Texaco has sought and been unable to obtain either voluntary agreement for pooling or farmout from certain interest owners in the proposed spacing unit.

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 Texaco to obtain its just and fair share of the oil and gas underlying the subject lands, all mineral interests should be pooled, and Texaco should be designated the operator of the well to be drilled.

WHEREFORE, Texaco Petroleum Corporation prays that this application be set for hearing before an Examiner of the Oil Conservation Division on October 17, 1996 and, after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions for Texaco 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 Texaco in drilling, completing and equipping the well.

Respectfully submitted,

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.

By:



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

ATTORNEYS FOR TEXACO
EXPLORATION AND PRODUCTION INC.

CASE 14632:

Application of Texaco Exploration and Production Inc. for compulsory pooling, San Juan, New Mexico. Applicant in the above-styled cause seeks an order pooling all gas interests in the Mesaverde formation, in and under the E/2 of Section 32, Township 30 North, Range 11 West. Said unit is to be dedicated to its Fed. State Com No. 2 Well to be drilled at a standard location 850 feet from the South line and 1700 feet from the East line of said Section 32. 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 area is located approximately ___ miles southeast of Farmington, New Mexico.

RECEIVED

FEB 24 1996

Oil Conservation Division

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANYA M. TRUJILLO
PAUL R. OWEN

JACK M. CAMPBELL
OF COUNSEL

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

September 24, 1996

11632

HAND-DELIVERED

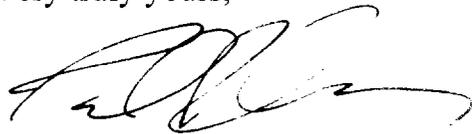
William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco Street
Santa Fe, New Mexico 87503

Re: Application of Texaco Exploration and Production Inc. for Compulsory
Pooling, San Juan County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the Application of Texaco Exploration and Production Inc. in the above-referenced case as well as a copy of the legal advertisement. Texaco requests that this case be placed on the docket for the October 17, 1996 Examiner hearings.

Very truly yours,



WILLIAM F. CARR
PAUL R. OWEN

Enclosures

cc: Mr. Chuck Snure (w/enclosures)
Mr. Rocky Holly