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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF AMERADA PETROLEUM CORPORATION
FOR THE POOLING OF SEPARATELY
OWNED ROYALTY OR MINERAL INTERESTS
WITHIN A PRORATION UNIT IN THE BAGLEY-
SILURO-DEVONIAN POOL, LEA COUNTY, NEW
MEXICO.

APPLICATION

COMES NOW Amerada Petroleum Corporation and alleges and states:

1. That it has filed its application for a temporary order for the establishment for a period of one year 80-acre proration units and the uniform spacing of wells covering the Bagley-Siluro-Devonian pool, Lea County, New Mexico.
2. That one of the 80-acre proration units requested in said application will comprise the E/2 NE/4 of Section 3, Township 12-South, Range 33-East, Lea County, New Mexico. Applicant is the owner of the full oil and gas leasehold estate covering all of said proration unit. The royalty or mineral ownership comprising said unit subject to oil and gas leases owned by Applicant is as follows:

NE/4 NE/4 Section 3, Township 12-South, Range 33-East,
United States of America - All;

SE/4 NE/4 Section 3, Township 12-South, Range 33-East,
W. E. Mathers - All.
3. That a well is now being drilled to the Bagley-Siluro-Devonian Pool, located in the center of SE/4 NE/4 Section 3, Township 12-South, Range 33-East, which is the authorized well for the proration unit comprising the E/2 of NE/4 of Section 3, T. 12-S, R-33-E, as requested in said application.
4. That in order for each royalty or mineral owner to receive his just and equitable share of the oil and gas in said pool, it is necessary that the royalty or mineral interests of the owners of the separate tracts comprising said 80-acre proration unit be pooled and combined and that the royalty payable under the oil and gas leases covering said proration unit be apportioned among said owners in the proportion that their interest in the separate tracts comprising said unit bears to the entire royalty interest in the unit.
5. That the pooling of the royalty interests under separately owned tracts, as herein requested, cannot be avoided by any re-arrangement of the location of the proration units requested in said application and is the only method whereby waste can be prevented, the drilling of unnecessary wells be avoided and, at the same time, the correlative rights of the owners of each tract within said proration unit be protected.

6. That the owners of the separate tracts within said proration unit have not agreed upon the pooling of their royalty interests and Applicant is entitled to an order as herein requested under the provisions of Sec. 69-213-1/2(c) of 1949 Cumulative Pocket Supplement to 1941 New Mexico Statutes Annotated.

WHEREFORE, Applicant respectfully requests that the Commission set this application for hearing and that due and proper notice be given as required by law, and that in the event the Commission establishes 80-acre proration units and uniform spacing of wells for the Bagley-Siluro-Devonian Pool, as requested by Applicant in its application filed herein, the Commission enter an order combining and pooling all royalty interests within the 80-acre proration unit comprising the E/2 NE/4 Section 3, 12-South, 33-East, so that the royalty payable under the oil and gas leases covering said unit shall be apportioned among said royalty owners on a surface acreage basis in the proportion that the interest of each royalty owner bears to the total royalty interest in said unit, and for such other relief to which Applicant may be entitled.

Dated this 28th day of December, 1950.

Seth & Montgomery

By (s) Oliver Seth

Harry D. Page and Booth Kellough

By (s) Booth Kellough

Attorneys for Amerada Petroleum Corp.