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March 22, 1989

HAND-DELIVERED

RECEIVED

MAR 22 1989

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

OIL CONSERVATION DIVISION

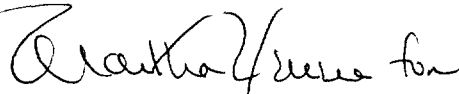
100-9646

Re: In the Matter of the Application of BP Exploration, Inc.
for Compulsory Pooling, Lea County, New Mexico

Dear Mr. LeMay:

Enclosed is an Application for BP Exploration, Inc. in the above-referenced case. BP Exploration, Inc. respectfully requests that this matter be placed on the docket for the Examiner hearings scheduled on April 12, 1989.

Very truly yours,



WILLIAM F. CARR

WFC:mlh

Enclosures

cc w/enclosures: Mr. Jim Sikes
BP Exploration, Inc.

BEFORE THE
OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF
BP EXPLORATION, INC., FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.

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CASE NO. 9645
MAR 22 1989

APPLICATION OIL CONSERVATION DIVISION

Applicant, BP EXPLORATION, 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 minerals interests in the Strawn formation in and under the SE/4 SW/4 of Section 30, Township 17 South, Range 38 East, N.M.P.M., Lea County, New Mexico, and in support thereof would show the Division:

1. Applicant owns or represents 88% of the working interest in and under the acreage to be pooled in Section 30, and Applicant has the right to drill thereon.

2. Applicant proposes to dedicate the above-referenced pooled unit to a well to be drilled at a standard location in said Section 30, to a depth sufficient to test all formations to the top of the Atoka formation.

3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other interest owners in the acreage to be pooled in said Section 30, except for the following interest owners:

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 Applicant should be designated the operator of the well to be drilled.

WHEREFORE, Applicant prays that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on April 12, 1989, 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 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, 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 BP EXPLORATION,
INC.

CAMPBELL & BLACK, P.A.

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April 28, 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

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APR 28 1989

OIL CONSERVATION DIVISION

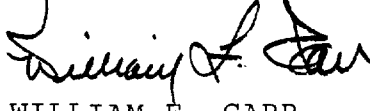
Case 9645

Re: In the Matter of the Application of BP Exploration, Inc.
for Compulsory Pooling and Directional Drilling, Lea
County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the above-referenced application of BP Exploration, Inc. BP Exploration, Inc. respectfully requests that this matter be placed on the docket for the Examiner hearings scheduled on May 10, 1989.

Very truly yours,



WILLIAM F. CARR

WFC:mlh

Enclosures

cc w/enclosures: Mr. Jim Sikes
BP Exploration, Inc.

BEFORE THE
OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF
BP EXPLORATION, INC., FOR COMPULSORY
POOLING AND DIRECTIONAL DRILLING,
LEA COUNTY, NEW MEXICO.

RECEIVED

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CASE NO. 9645

OIL CONSERVATION DIVISION

APPLICATION

Applicant, BP EXPLORATION, 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 minerals interests in the Strawn formation in and under the SE/4 SW/4 of Section 30, Township 17 South, Range 38 East, N.M.P.M., Lea County, New Mexico, and for authority to directionally drill a well to a standard bottom hole location in the Strawn formation on this pooled unit, and in support thereof would show the Division:

1. Applicant owns or represents 88% of the working interest in and under the acreage to be pooled in Section 30, and Applicant has the right to drill thereon.

2. Applicant proposes to dedicate the above-referenced pooled unit to a well to be directionally drilled from the surface location 1138 feet from the South line and 1633 feet from the West line of said Section 30, to a point within 100 feet of a standard bottom hole location 660 feet from the South line and 1817 feet from the West line of said Section 30. The proposed well will be

drilled to a depth sufficient to test all formations to the top of the Atoka formation.

3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other interest owners in the acreage to be pooled in said Section 30, except for those interest owners set out on Exhibit A which is incorporated into 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 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 Applicant should be designated the operator of the well to be drilled.

WHEREFORE, Applicant prays that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on May 10, 1989, and that after notice and hearing as required by law, the Division enter its order approving the directional drilling of the proposed well and 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, 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 BP EXPLORATION,
INC.

EXHIBIT A

Harvey E. Yates Company
Post Office Box 1933
Roswell, New Mexico 88202

Spiral Inc.
Post Office Box 1933
Roswell, New Mexico 88202

Yates Energy Corp.
Post Office Box 2323
Roswell, New Mexico 88202

Explorers Petroleum Corp.
Post Office Box 1933
Roswell, New Mexico 88202

T. Verne Dwyer
300 W. Texas, Suite 333
Midland, Texas 79701

Rose Koen Burnett
2704 56th Street
Lubbock, Texas 79413

Edward Koen
c/o Dan Charles Koen
840 Explorador Calli
Denver, Colorado 80229

Richard Dale Rice
2201 E. 35th Street
Lubbock, Texas 79412

Jack Curtis Simpson
Rt. 2, Box 2863
Burgaw, NC 28425

Edwin W. Simpson
1100 N. Love
Lovington, New Mexico 88260

OXY USA
Post Office Box 26100
Oklahoma City, Oklahoma 73126-0100

Amoco Production Company
Post Office Box 3092
Houston, Texas 77253
Attn: Tim Henry

Santa Fe Energy Operating
Partners, L.P.
500 West Illinois, Suite 550
Midland, Texas 75701
Attn: Pat Tower

Sun Exploration and
Production Company
Post Office Box 1861
Midland, Texas 79702
Attn: Ken Beers

Nearburg Producing Company
401 E. Illinois, Suite 300
Midland, Texas 79701
Attn: Mark Nearburg