

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF SANTA FE ENERGY
OPERATING PARTNERS, L.P., FOR
COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.

Case No. 9815

APPLICATION

Santa Fe Energy Operating Partners, L.P., hereby makes application for an order pooling all interests from the surface to the base of the Morrow formation in the W $\frac{1}{2}$ of Section 16, Township 21 South, Range 35 East, N.M.P.M., Lea County, New Mexico, and in support thereof would show:

1. Applicant is a working interest owner in the W $\frac{1}{2}$ of said Section 16.

2. Applicant proposes to drill a well in the W $\frac{1}{2}$ of Section 16, at a standard location, to the base of the Morrow formation, and seeks to dedicate the W $\frac{1}{2}$ of Section 16 to the well.

3. Applicant has in good faith sought to join all other mineral interest owners in the W $\frac{1}{2}$ of Section 16 for the purposes set forth herein.

4. Although Applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have refused to join in dedicating their acreage. Therefore, Applicant seeks an order pooling all mineral interest owners

underlying the W $\frac{1}{2}$ of Section 16, pursuant to N.M. Stat. Ann. § 70-2-17 (1987 Repl.).

5. Applicant requests the Division to consider the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating charges and costs charged for supervision. Applicant requests that it be designated as operator of the well and that the Division set a penalty of 200% for the risk involved in drilling the well.

6. The pooling of all interests underlying the W $\frac{1}{2}$ of Section 16 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

7. Applicant requests that this matter be heard at the November 15, 1989 Examiner hearing.

HINKLE, COX, EATON, COFFIELD &
HENSLEY

By


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Attorneys for Applicant

COUNTY *Lea*.

POOL South Osuda - Wolfcamp Gas

TOWNSHIP 21 South

RANGE 35 East

NMPM

160
Cure
shanty

A 36x6 grid with numbers 1-36 in a boustrophedon pattern. A red circle highlights a 6x6 subgrid from row 10 to 15 and column 10 to 15. A red square highlights a 2x2 subgrid within this circle, centered at (12, 12). A red scribble is on the left side of the circle.

Description: $\frac{NW}{4}$ Sec. 15 (R-3411, 6-1-68)

Ext:

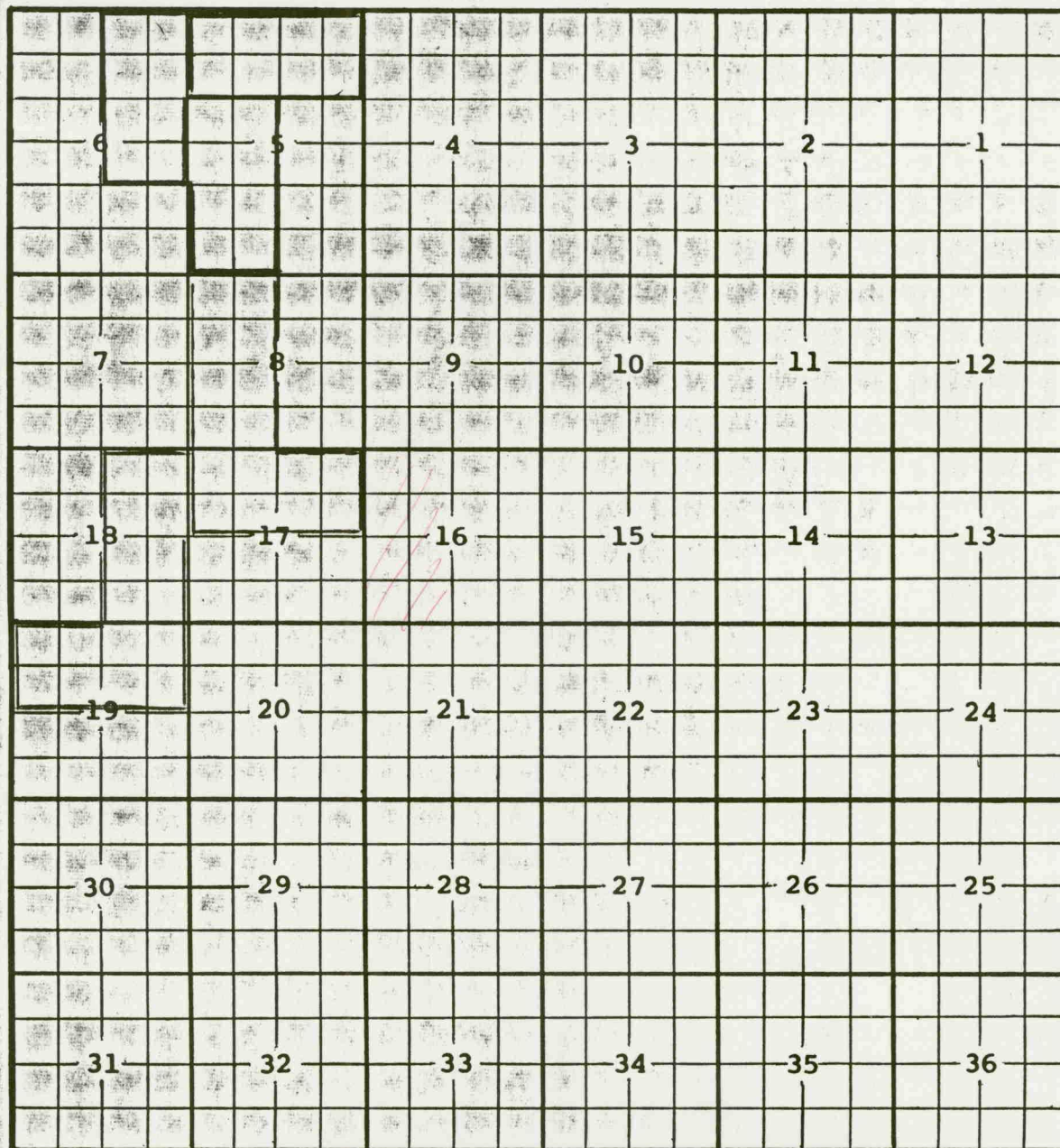
COUNTY Lea

POOL Osado-Morrow Gas

TOWNSHIP 21 South

RANGE 35 East

NMPM



Ext: Lots 1 thru 8 Sec. 5 (R-3067, 6-1-66) - Lots 1, 2, 7, 8, 9, 10, 15 & 16 Sec. 6 (R-3195, 3-1-67)
 - Lots 11, 12, 13, 14 & ^{SW} 4 Sec. 5 (R-4511, 5-1-73) Ext: $\frac{1}{2}$ Sec 8, $\frac{1}{2}$ Sec 17 (R-4957, 3-1-75)
 Ext: $\frac{E}{2}$ Sec 18, $\frac{N}{2}$ Sec 19 (R-5511, 9-1-77)

COUNTY *Lea*POOL *South Osado - Morrow Gas*TOWNSHIP *21 South*RANGE *35 East*

NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Description: $\frac{N}{2}$ Sec. 15 (R-3342, 12-1-67)

Ext: $\frac{W}{2}$ Sec. 10 (R-3932, 4-1-70) Ext: $\frac{S}{2}$ Sec. 15 (R-5252, 9-1-76)

[illegible]