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*Twin to 9857*

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January 30, 1990

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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JAN 30 1990

OIL CONSERVATION DIV.  
SANTA FE

9876

Dear Mr. LeMay:

Enclosed are three applications of Explorers Petroleum Corporation for compulsory pooling of three 40-acre Bone Spring Oil Spacing Units. These applications seek the compulsory pooling of the same 40-acre tracts that are the subject of Oil Conservation Division Cases 9855, 9856 and 9857 in which Yates Energy Corporation seeks compulsory pooling orders. These cases involve the pooling of tracts which are in the same section and share common ownership with the 40-acre Bone Spring Oil tract which was pooled by the Division in Case No. 9845 (Order No. R-9093) which is on the Commission February 15, 1990 docket as the result of a De Novo application filed by Explorers and others. All of these cases involve the same lands and issues. Each presents to the Division or Commission identical questions to be decided.

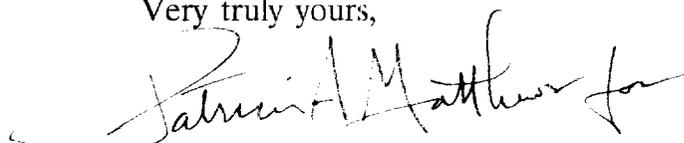
Explorers Petroleum Corporation therefore requests that Cases 9845, 9855, 9856 and 9857 be continued to the Oil Conservation Commission hearing scheduled for March 15, 1990 and that each of the enclosed applications also be set for hearing on that date and that all cases be consolidated for hearing at that time. In the alternative, Explorers Petroleum Corporation requests that Cases 9855, 9856 and 9857 be continued to the Division's February 21, 1990 Examiner hearing and that the De Novo hearing in case 9845 be continued to March 15, 1990.

William J. LeMay, Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
January 30, 1990  
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Only by continuing these cases and consolidating them for hearing can unnecessary hearings be avoided and all issues to be decided resolved at one time.

Your attention to this request is appreciated.

Very truly yours,

A handwritten signature in cursive script, appearing to read "William F. Carr", written in dark ink.

WILLIAM F. CARR  
ATTORNEY FOR EXPLORERS PETROLEUM CORPORATION

WFC:mlh

Enclosures

cc w/enc.: Ernest L. Padilla, Esq.  
W. Thomas Kellahin, Esq.

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JAN 30 1990

OIL CONSERVATION DIV.  
SANTA FE

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF  
EXPLORERS PETROLEUM CORPORATION,  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.

CASE NO. 9876

**APPLICATION**

COMES NOW EXPLORERS PETROLEUM CORPORATION, by its undersigned attorneys, hereby makes application to the Oil Conservation Division pursuant to Section 70-2-17, N.M.S.A. (1978) for an order pooling all of the mineral interests from the surface to the base of the Bone Spring formation, undesignated Tamano-Bone Spring Pool, in and under the SW/4 SE/4 of Section 1, Township 18 South, Range 31 East, N.M.P.M., Eddy County, New Mexico, and in support thereof would show the Division:

1. Applicant owns or represents 5.4% of the working interest in and under the acreage to be pooled in Section 1, 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 1, to a depth sufficient to test all formations to the base of the Bone Spring formation.

3. Applicant is seeking either voluntary agreement for pooling or farmout from all other interest owners in the acreage to be pooled in said Section 1, including the following interest owners:

Yates Energy Corporation Sunwest Centre, Suite 1010 Roswell, New Mexico 88201	23.5% WI
Harvey E. Yates Company Box 1933 Roswell, New Mexico 88201	36.9% WI
Heyco Employees Ltd. Box 1933 Roswell, New Mexico 88201	1.9% WI
Spiral, Inc. Box 1933 Roswell, New Mexico 88201	5.5% WI
Chevron U.S.A., Inc. Post Office Box 1150 Midland, Texas 79702 Attn: Mickey Kohlma	25% WI
W.T. Wynn 1603 W. Bengar Midland, Texas 79705	1.8% WI

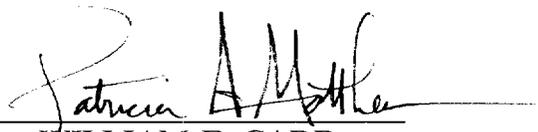
4. Said pooling of these interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

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 February 21, 1990, 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.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By:   
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