

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF  
PACIFIC ENTERPRISES OIL COMPANY, USA  
FOR COMPULSORY POOLING  
EDDY COUNTY, NEW MEXICO

CASE NO. 16169

A P P L I C A T I O N

COMES NOW, PACIFIC ENTERPRISES OIL COMPANY, USA,

by and through its attorneys, Kellahin, Kellahin & Aubrey,  
and in accordance with Section 70-2-17(c) NMSA (1978)  
applies to the New Mexico Oil Conservation Division for an  
order pooling all mineral interest underlying the following  
described acreage in Section 21, T19S, R28E, Eddy County,  
New Mexico in the following described manner:

1. S/2 to form a 320 acre, more or less, gas  
spacing and proration unit for any and all formations and/or  
pools within said vertical limits below the top of the  
Wolfcamp developed on 320 acre gas well spacing.

2. Applicant has sought a voluntary agreement  
with all those parties shown on Exhibit "A" for the  
formation of appropriate spacing and proration unit for the  
drilling of the subject well, but has been unable to obtain  
a voluntary agreement.

3. Pursuant to the Division notice requirements, Applicant has notified all those parties shown on Exhibit "A" of this Application for compulsory pooling and the Applicant's request for a hearing before the Division to be set on November 28, 1990.

4. In order to obtain its just and equitable share of the potential production underlying the above tract, Applicant needs an order pooling the mineral interest of those parties shown on Exhibit "A" as not having voluntarily committed their interest in order to protect Applicant's correlative rights and prevent waste.

WHEREFORE, Applicant prays that this Application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order approving the pooling of the mineral interest described herein. Applicant further prays that it be named operator of the well, and that the order make provisions for Applicant to recover out of production its costs of drilling, completing and equipping the subject well, costs of operation, including costs of supervision, and a risk factor in the amount of 200% for the drilling and completing of the well, for such other and further relief as may be proper.

Respectfully submitted,

KELLAHIN, KELLAHIN & AUBREY

By: 

W. Thomas Kellahin  
Post Office Box 2265  
Santa Fe, New Mexico 87504

(505) 982-4285

EXHIBIT "A"

WORKING INTEREST OWNERS

Arco Oil and Gas Company  
P.O. Box 1610  
Midland, Texas 79702  
Attn: Mr. Tim Derigo

Yates Petroleum Corporation  
105 South 4th Street  
Artesia, New Mexico 88201  
Attn: Mr. Randy Patterson

Marathon Oil Company  
P.O. Box 552  
Midland, Texas 79702  
Attn: Mr. Randall Wilson

DeKalb Energy Company  
370 17th Street  
Denver, Colorado 80202  
Attn: Mr. Keith Ranum

Chevron USA, Inc.  
P.O. Box 1150  
Midland, Texas 79702  
Attn: Mr. Sam Martin