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APR 16 1984

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April 16, 1984

HAND DELIVERED

Mr. Joe D. Ramey, Director  
Oil Conservation Division  
New Mexico Department of  
Energy & Minerals  
Post Office Box 2088  
Santa Fe, New Mexico 87501

*Case 8187*

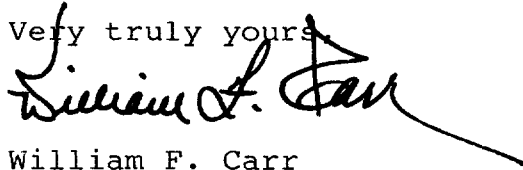
Re: Application of HNG Oil Company for Compulsory  
Pooling, Lea County, New Mexico.

Dear Mr. Ramey:

Enclosed in triplicate is the Application of HNG Oil Company  
in the above-referenced case. We respectfully request that this  
matter be included on the docket for the Examiner Hearing  
scheduled for May 9, 1984.

Your attention to this request is appreciated.

Very truly yours,



William F. Carr

WFC/cv  
enclosures

cc: Mr. Craig Duke

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APR 16 1984

BEFORE THE

OIL CONSERVATION DIVISION

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION  
OF HNG OIL COMPANY FOR COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO.

Case 8187

APPLICATION

Comes now, HNG Oil Company, by and through its undersigned attorneys and, as provided by Section 70-2-17, New Mexico Statutes Annotated, 1978 Compilation, hereby makes application for an order pooling all of the mineral interests in the Pennsylvanian formations in and under the E/2 of Section 33, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and in support thereof would show the Division:

1. Applicant owns or controls 58.4% of the working interest in and under the E/2 of Section 33, and applicant has the right to drill thereon.

2. Applicant proposes to dedicate the above-referenced pooled unit to its Madera 33 Federal Com. No. 2 Well to be drilled at an orthodox location 1980 feet from the South and East lines of said Section 33.

3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other working interest owners in the E/2 of said Section 33 except Robert E. Landreth, 505 North Big Springs, Energy Square, Suite 507, Midland, Texas 79701, owner of a 9.57% working interest.

4. Said pooling of interest and well completion will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

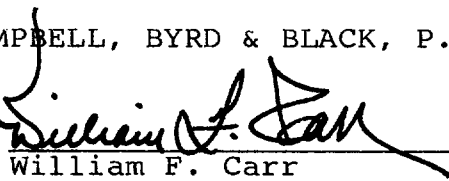
5. In order to permit the applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interest should be pooled, and applicant should be designated the operator of the well to be drilled.

WHEREFORE, applicant prays that this application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions designating the applicant as operator of the well, providing for applicant to recover its costs of drilling, equipping and completing the well, and 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 further provisions as may be proper in the premises.

Respectfully submitted,

CAMPBELL, BYRD & BLACK, P.A.

By

  
William F. Carr

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ATTORNEYS FOR HNG OIL COMPANY