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November 1, 1984

HAND DELIVERED

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NOV 1 1984

OIL CONSERVATION DIVISION

case 8412

Mr. R. L. Stamets
Acting Director
Oil Conservation Division
New Mexico Department of
Energy and Minerals
Post Office Box 2088
Santa Fe, New Mexico 87501

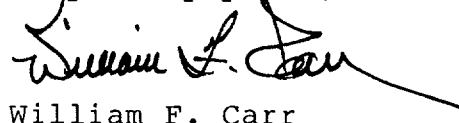
Re: Application of Chama Petroleum Company for
Compulsory Pooling, Eddy County, New Mexico.

Dear Mr. Stamets:

Enclosed in triplicate is the application of Chama Petroleum Company in the above-referenced case. Chama Petroleum Company respectfully requests that this matter be included on the docket for the November 28, 1984 Examiner hearings.

Your attention to this request is appreciated.

Very truly yours,


William F. Carr

WFC/cv
enclosures

cc: Mr. Mark Nearburg
(w/enclosure)

BEFORE THE

OIL CONSERVATION DIVISION

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NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

NOV 1 1984

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF CHAMA PETROLEUM COMPANY FOR
COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.

Case 84-12

APPLICATION

Comes now, CHAMA PETROLEUM COMPANY, by and through its undersigned attorneys and, as provided by §70-2-17, N.M.S.A. (1978), hereby makes application for an order pooling all of the mineral interests in the Pennsylvanian formation in and under the W/2 of Section 15, Township 19 South, Range 25 east, N.M.P.M., Eddy County, New Mexico, and in support thereof would show the Division:

1. Applicant owns or represents approximately 78% of the working interest in and under the W/2 of Section 15, 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 an orthodox location 1980 feet from the North line and 660 feet from the West line of said Section 15.

3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other interest owners in the W/2 of Section 15, except the following:

Amoco Production Company	12% WI
Flag-Redfern Oil Company	9% WI

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

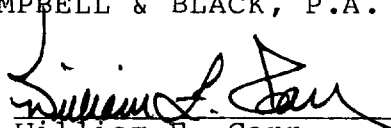
5. In order to permit the applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interest should be pooled, and applicant should be designated the operator of the well to be drilled.

WHEREFORE, applicant prays that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on November 28, 1984, 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 87501
(505) 988-4421

ATTORNEYS FOR CHAMA
PETROLEUM COMPANY