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January 25, 1985

RECEIVED

JAN 28 1985

Richard L. Stamets, Director
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

OIL CONSERVATION DIVISION

Case 8505

Re: In the Matter of the Application of Chama Petroleum
Company for Compulsory Pooling and an Unorthodox Gas
Well Location, Lea County, New Mexico.

Dear Mr. Stamets:

Enclosed in triplicate is the application of Chama Petroleum
Company in the above-referenced matter.

On January 16, 1985, Karen Aubrey filed for BTA Oil
Producers an application seeking an order pooling the NE/4 of
Section 25, Township 20 South, Range 34 East, Lea County, New
Mexico. Since the BTA application and the enclosed application
for Chama seek orders pooling the same lands, we would request
that the BTA application which we believe has been set for
hearing on February 13th, be continued and set for hearing before
an Examiner on the same date as the Chama application. By copy
of this letter, I am advising Karen Aubrey of this request.

Your attention to this matter is appreciated.

Very truly yours,

William F. Carr

William F. Carr

WFC/cv
enclosures

cc: Mr. Charles Nearburg (w/encl.)
Karen Aubrey, Esq. (w/encl.)

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

RECEIVED
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF CHAMA PETROLEUM COMPANY FOR
COMPULSORY POOLING AND AN UNORTHODOX
GAS WELL LOCATION, LEA COUNTY, NEW
MEXICO.

Case 8505

APPLICATION

Comes now, CHAMA PETROLEUM COMPANY, by and through its undersigned attorneys and, as provided by Section 70-2-17, N.M.S.A. (1978), hereby makes application for an Order either pooling all of the minerals interests from the surface to the base of Morrow formation, in and under the NE/4 of Section 25, Township 20 South, Range 24 East, N.M.P.M., Lea County, New Mexico, or in the alternative, pooling all the mineral interests from the surface to the base of the Morrow formation, in and under the E/2 of Section 25, Township 20 South, Range 24 East, N.M.P.M., Lea County, New Mexico, and approval of an unorthodox gas well location, and in support thereof would show the Division:

1. Applicant owns or represents approximately 50% of the working interest in and under the NE/4 of said Section 25, and 75% of the working interest in and under the E/2 of said Section 25, 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 location 660 feet from

the North line and 1,980 feet from the ^{East}~~West~~ line of said Section 25. This location is orthodox for a 160-acre spacing unit, and unorthodox for an E/2 320-acre spacing unit.

3. On January 3, 1985, Case 8446 came on for hearing before the Division in which Chama Petroleum Company sought an order limiting the pool rules of the Lea-Pennsylvanian Gas Pool to the current pool boundaries. No order has been entered in that case on the date of this application and a ruling in that case will determine whether or not the area should be spaced and developed on 160-acre spacing units or on 320-acre spacing units.

4. Applicant has sought and been unable to obtain voluntary agreement for pooling or farmout from BTA Oil Producers, the owner of the E/2 NE/4 of said Section 25. BTA's address is 104 S. Pecos, Midland, Texas 79701, Attention: Robin Hughes.

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

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

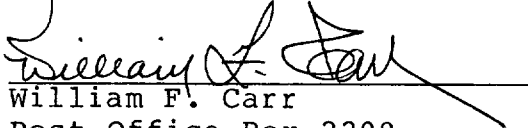
WHEREFORE, applicant prays that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on February 27, 1985, and that after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions for applicant to recover 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, approving the location of the well as proposed by applicant, 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

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January 29, 1985

HAND DELIVERED

RECEIVED

JAN 30 1985

OIL CONSERVATION DIVISION

Case 8505

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

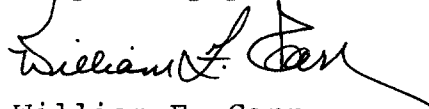
Re: Application of Chama Petroleum Company for Compulsory
Pooling and an Unorthodox Gas Well Location, Lea County,
New Mexico.

Dear Mr. Stamets:

Enclosed in triplicate is the Amended Application of Chama
Petroleum Company in the above-referenced case, which Chama
Petroleum Company has previously requested be included on the
docket for the February 27, 1985 Examiner hearings.

Your attention to this matter is appreciated.

Very truly yours,



William F. Carr

WFC/cv
enclosures

cc: Karen Aubrey, Esq. (w/enc.)
Charles Nearburg (w/enc.)

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

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JAN 1 1980

IN THE MATTER OF THE APPLICATION
OF CHAMA PETROLEUM COMPANY FOR
COMPULSORY POOLING AND AN UNORTHODOX
GAS WELL LOCATION, LEA COUNTY, NEW
MEXICO.

OIL CONSERVATION DIVISION

Case 8505

AMENDED APPLICATION

Comes now, CHAMA PETROLEUM COMPANY, by and through its undersigned attorneys and, as provided by Section 70-2-17, N.M.S.A. (1978), hereby makes application for an Order either pooling all of the minerals interests from the surface to the base of Morrow formation, in and under the NE/4 of Section 25, Township 20 South, Range 34 East, N.M.P.M., Lea County, New Mexico, or in the alternative, pooling all the mineral interests from the surface to the base of the Morrow formation, in and under the E/2 of Section 25, Township 20 South, Range 34 East, N.M.P.M., Lea County, New Mexico, and approval of an unorthodox gas well location, and in support thereof would show the Division:

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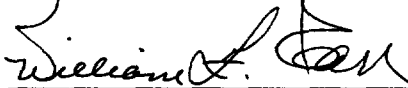
6. In order to permit the applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the minerals interests should be pooled, and applicant should be designated the operator of the well to be drilled.

WHEREFORE, applicant prays that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on February 27, 1985, 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, approving the location of the well as proposed by applicant, and making such other and further provisions as may be proper in the premises.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By 

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