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April 1, 1985

APR 1 1985

Mr. Richard L. Stamets
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

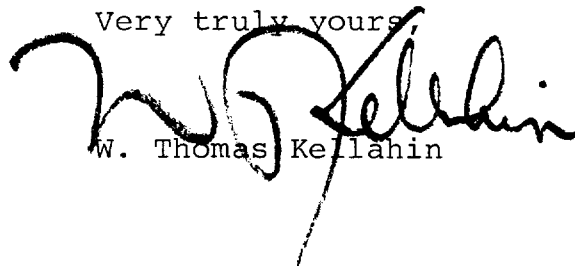
Case 85 72

Re: Pennzoil Company

Dear Mr. Stamets:

Please set the enclosed forced pooling application against El Paso Natural Gas Company and ARCO for hearing at the next available examiner hearing now set for April 24, 1985.

Very truly yours,



W. Thomas Kellahin

WTK:ca
Enc.

cc: Mr. Kenneth Medlock
Pennzoil Company
P. O. Box 1828
Midland, Texas 79701

ARCO
Attn: Mike Snyder
P. O. Box 1610
Midland, Texas 79701

El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79978

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION

IN THE MATTER OF THE
APPLICATION OF PENNZOIL
COMPANY FOR COMPULSORY
POOLING LEA COUNTY,
NEW MEXICO

APR 1 1985

RECEIVED

CASE: 8572

A P P L I C A T I O N

Comes now Pennzoil Company and applies to the Oil Conservation Division of New Mexico for an order pooling all mineral interests from the surface to the base of the Bone Springs to the base of the Pennsylvanian formation in the S/2 of Section 30, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico, for the formation of a standard gas proration and spacing unit and in support thereof would show the Commission:

1. Applicant is an owner of the right to drill and develop the S/2 of Section 30, Township 19 South, Range 34 East, NMPM, and desires to form a unit to drill a gas well to the base of the Pennsylvanian.

2. Applicant proposes to drill a well to test the Pennsylvanian at a standard location in the S/2 of Section 30.

3. Applicant has sought to obtain the cooperation of all parties.

4. In order to obtain their just and equitable share of the production underlying the above lands, Applicant needs an order pooling the mineral interest involved.

5. Those who have not consented to join in the drilling of the well, with their addresses, to the best of applicant's information and belief, are as follow:

<u>NAME/ADDRESS</u>	<u>INTEREST</u>
(1) El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas 79978 Attn: Jeanne Morrison	12 1/2%
(2) ARCO P. O. Box 1610 Midland, Texas 79701	37 1/2%

6. The parties named in paragraph 5 above have been furnished a copy of this application.

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 mineral interests from the surface to the base of Bone Springs in the SE/4 and from the base of the Bone Springs to the base of the Pennsylvanian formation in the S/2, all in Section 30, T19S, R34E, NMPM, Lea County, New Mexico. 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 the subject well, completing and equipping it, costs of operation, including costs of supervision and a risk factor in the amount of 200% for the drilling of the well, for such other and further relief as may be proper.

Respectfully submitted,

Pennzoil Company


By _____

W. Thomas Kellahin
Kellahin & Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87501

Attorneys for Applicant