

BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :
JACK PLEMONS FOR COMPULSORY POOLING, :
EDDY COUNTY, NEW MEXICO : CASE NO. 8674
_____ :

APPLICATION

COMES NOW Jack Plemons, by his attorneys, and in support hereof, respectfully states:

1. Applicant is the operator of all formations from the surface to a depth of 3,500 feet beneath the surface, underlying:

Township 17 South, Range 29 East, N.M.P.M.

Section 27: NW/4 NW/4

containing 40 acres, more or less,
and has drilled his Continental "27" State No. 6 Well at a point located 990 feet from the north line and 330 feet from the west line of said Section 27.

2. A standard 40-acre oil proration unit comprising the NW/4 NW/4 of said Section 27, from the surface down to 3,500 feet beneath the surface, should be dedicated to such oil well or to such lesser portion thereof as is reasonably shown to be productive of oil.

3. There are interest owners in the unit who have not agreed to pool their interests, and the names and addresses of such parties are as follows:

Southwestern Resources, Inc.
P. O. Box 1756
Roswell, New Mexico 88201

Jessie Boyd Barr
P. O. Box 1756
Roswell, New Mexico 88201

4. Applicant should be designated the operator of the well and the proration unit.

5. To avoid the drilling of unnecessary wells, to protect correlative rights and to afford to the owner of each interest in said unit the opportunity to recover or receive without unnecessary expense, his just and fair share of the oil and gas in said unit, all mineral interests, whatever they may be, from the surface down to 3,500 feet beneath the surface underlying NW/4 NW/4 Section 27, Township 17 South, Range 29 East, N.M.P.M., should be pooled.

6. That any non-consenting working interest owner that does not pay his share of estimated well costs should have withheld from production his share of the reasonable well costs, plus an additional 200% thereof as a reasonable charge for the risk involved in the drilling of the well.

7. Applicant should be authorized to withhold from production the proportionate share of a reasonable supervision charge for drilling and producing wells attributable to each nonconsenting working interest owner.

8. The approval of this Application will afford Applicant the opportunity to produce his just and equitable share of oil and gas, will prevent economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

WHEREFORE, Applicant prays:

A. That this Application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. That upon hearing the Division enter its order pooling all mineral interests, whatever they may be, from the surface down to 3,500 feet beneath the surface underlying NW/4 NW/4 Section 27, Township 17 South, Range 29 East, N.M.P.M., or such lesser portion as may be productive of oil and gas and dedicated to Applicant's well.

C. And for such other and further relief as may be just in the premises.

JACK PLEMONS

By:  (for)
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