Jason Kellahin W. Thomas Kellahin Karen Aubrey KELLAHIN and KELLAHIN Attorneys at Law El Patio - 117 North Guadalupe Post Office Box 2265 Santa Fe, New Mexico 87504-2265

Telephone 982-4285 Area Code 505

September 11, 1985

CIL CONSERVATION DECISION

RECEIVER

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

Re: Pennzoil Company Forced Pooling Application <u>T175, R37E, NMPM</u> Section 4: E/2NE/4

Dear Mr. Stamets:

On behalf of Pennzoil Company, please find enclosed our application for compulsory pooling for a well to be drilled on the described acreage. Please set this matter for hearing on October 9, 1985.

Copies of this letter and the application are being sent to all parties listed in Exhibit A of the application by certified mail.

Very troï Thomas Ke lahin

WTK:ca Enc.

cc: The Superior Oil Company P. O. Box 633 Midland, Texas 79702 Attn: K. M. Johnston

> **TXO Production** Corporation **900 Wilco Building Midland, Texas** 79701 **Attn: Jeff Bourgeois**

Apcot-Finadel Joint Venture, a general partnership P. O. Box 2159 Dallas, Texas 75221 "Certified" Return Receipt Requested (all cc's)

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Mr. Richard L. Stamets Oil Conservation Division September 11, 1985 Page 2

cc: Shell Western E&P, Inc. P. O. Box 831 Houston, Texas 77001 Attn: Terry Enders

> Atlantic Richfield Company P. O. Box 1610 Midland, Texas 79702 Attn: Mike Snyder

Texaco Producing, Inc. P. O. Box 3109 Midland, Texas 79702 Attn: E. H. Watkins

Jeanne Van Zant Sanders Suite 508, Sinclair Building 106 W. Fifth Street Ft. Worth, Texas 76102

J. R. McGinley, Jr. Lanroy, Inc., Cleroy, Inc. P. O. Box 3405 Tulsa, Oklahoma 74101

Sohio Petroleum Company Two Lincoln Centre -5420 LBJ Freeway Suite #1000/LB 03 Dallas, Texas 75240 Attn: Don Leonhart

Max W. Coll II, James N. Coll, Charles H. Coll, & John F. Coll P. O. Box 1818 Roswell, New Mexico 88201

Harry A. Miller, Jr. 600 First National Bank Building Midland, Texas 79701

Harry A. Miller, III 2453 Ben White Boulevard Austin, Texas 78704

Margaret Ann Miller Carrico 406 Farley Trail Austin, Texas 78746 KELLAHIN and KELLAHIN

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Mr. Richard L. Stamets **Oil Conservation Division** September 11, 1985 Page 3

E. B. White, Jr. P. O. Box 2052 Midland, Texas 79702

Rebel Oil Company P. O. Drawer 309 Hobbs, New Mexico 88240 Attn: Ellie Spear

Greg Davis **Pennzoil** Company P. O. Box 1828 Midland, Texas 79701

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

REJEIVED

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

CASE: 8727

APPLICATION

Comes now Pennzoil Company and applies to the Oil Conservation Division of New Mexico for an order pooling all mineral interests in the Strawn formation underlying the E/2NE/4 of Section 4, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico, for the formation of a proration and spacing unit for the said production and in support thereof would show the Commission:

 Applicant has a right to drill and develop the E/2NE/4 of Section 4, Township 17 South, Range 37 East, NMPM.

Applicant proposes to drill its B. E. Shipp #2
 well to be drilled 660 feet FNL and 810 feet FEL of Section
 4, T17S, R37E, NMPM, to which operator will dedicate the E/2NE/4.

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,

-1-

Applicant needs an order pooling the mineral interest involved.

5. Attached as Exhibit A is a list of all working interest owners in the E/2NE/4 of said section along with their respective interests.

6. The parties names 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 interest described herein. Applicant further prays that it be named operator of the wells, and that the order make provisions for applicant to recover out of production its costs of drilling the subject wells, completing and equipping them, costs of operation, including costs of supervision and a risk factor in the amount of 200% for the drilling of the wells, for such other and further relief as may be proper.

Respectfully submitted,

PENNZOIL COMPANY

Bv Thomas Kellahin

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Exhibit "A"

. . .

Working Interest Owners NE/4 Section 4, T17s, R37E, NMPM

Owner	Interest
The Superior Oil Company P. O. Box 633 Midland, Texas 79702 Attn: K. M. Johnston	16.08884% WI
TXO Production Corporation 900 Wilco Building Midland, Texas 79701 Attn: Jeff Bourgeois	6.17806% WI
Apcot-Finadel Joint Venture, a general partnership P. O. Box 2159 Dallas, Texas 75221	2.059353% WI
Shell Western E&P, Inc. P. O. Box 831 Houston, Texas 77001 Attn: Terry Enders	8.Ø39% WI
Atlantic Richfield Company P. O. Box 1610 Midland, Texas 79702 Attn: Mike Snyder	.5773% WI
Texaco Producing, Inc. P. O. Box 3109 Midland, Texas 79702 Attn: E. H. Watkins	.6962% WI
J. H. Van Zant, II 1730 Commerce Building 307 West 7th Ft. Worth, Texas 76102	.9375% ULMI
Jeanne Va n Zant Sanders Suite 508, Sinclair Building 106 W. Fifth Street Ft. Worth, Texas 76102	.9375% ULMI
J. R. McGinley, Jr. Lanroy, Inc., Cleroy, Inc. P. O. Box 3405 Tulsa, Oklahoma 74101	2.0834% ULMI 2.0834% ULMI 2.0834% ULMI

Exhibit "A" Continued:

Black Bear Oil & Gas Corp.6.25% W.I.505 North Big Spring501Suite 404Midland, Texas 79701Attn: Jim R. Leeton6.25% W.I.

Max W. Coll II, James N. Coll, 3.125% ULMI Charles H. Coll, & John F. Coll P. O. Box 1818 Roswell, New Mexico 88201

Harry A. Miller, Jr. .195313% ULMI 600 First National Bank Building Midland, Texas 79701

Harry A. Miller, III 2493 Ben White Boulevard Austin, Texas 78704

Margaret Ann Miller Carrico 406 Farley Trail Austin, Texas 78746

E. B. White, Jr. P. O. Box 2052 Midland, Texas 79702

Rebel Oil Company P. O. Drawer 309 Hobbs, New Mexico 88240 Attn: Ellie Spear .390625% ULMI

.097656% ULMI

.097656% ULMI

2.947998% WI

Jason Kellahin W. Thomas Kellahin Karen Aubrey KELLAHIN and KELLAHIN Attorneys at Law El Patio - 117 North Guadalupe Post Office Box 2265 Santa Fe, New Mexico 87504-2265

September 19, 1985

Telephone 982-4285 Area Code 505

Case 8 727

R. Way

Mr. Richard L. Stamets Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87504

Re: Pennzoil Company Compulsory Pooling Application B. E. Shipp Well #2 E/2NE/4 of Section 4, Tl7S, R37E Lea County, New Mexico

Dear Mr. Stamets:

On September 12, 1985, our firm on behalf of Pennzoil Company, filed the referenced compulsory pooling application which is now set for hearing in Santa Fe on October 9, 1985.

We have been advised that there is an additional party to be included in that case and hereby amend our application to include the following:

Pat Alston Ward c/o Bill Ward 5050 East University Suite 9-B Odessa, Texas 79761 2.1484375% Unleased minerals

We are sending a copy of this letter, a copy of the original application, and a copy of New Mexico's compulsory pooling statutes to Mrs. Ward by certified mail.

Very truly_yours W. Thomas Kell

WTK:ca

cc: Pat Alston Ward c/o Bill Ward 5050 East University Suite 9-B Odessa, Texas 79761 "Certified Mail"

KELLAHIN and KELLAHIN

Mr. Richard L. Stamets September 19, 1985 Page 2

cc: Greg Davis
Pennzoil Company
P. O. Drawer 1828
Midland, Texas 79702