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BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION 1985

APPLICATION OF SUN EXPLORATION
AND PRODUCTION COMPANY FOR
COMPULSORY POOLING AND
DUAL COMPLETION,
LEA COUNTY, NEW MEXICO

OIL CONSERVATION DIVISION

No. 7748

APPLICATION

Sun Exploration and Production Company makes application for a compulsory pooling and dual completion order, and in support thereof states:

1. Applicant is a working interest owner in the SE $\frac{1}{4}$ of Section 36, Township 24 South, Range 36 East, N.M.P.M., Lea County, New Mexico.
2. Applicant proposes to drill a well in the SE $\frac{1}{4}$ of Section 25, at a location 1980 feet from the South line and 1980 feet from the East line, to test the Jalmat and Langlie-Mattix pools.
3. The SE $\frac{1}{4}$ of Section 25 is to be dedicated to the Jalmat pool and the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 25 is to be dedicated to the Langlie-Mattix pool.
4. Applicant has in good faith sought to join all other owners of mineral interests in the SE $\frac{1}{4}$ of Section 25 for the purposes of drilling the Jalmat well.
5. Although Applicant attempted to obtain voluntary agreements from all leasehold owners of mineral interests to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have refused to join in dedicating their acreage. Therefore, Applicant seeks


an order pooling all interest owners in the Jalmat pool underlying the SE¼ of Section 25, pursuant to § 70-2-17 N.M.S.A. 1978.

6. Applicant asks the Division to consider the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and costs charged for supervision. Applicant requests that it be designated as operator of the well and that the Division set a penalty for the risk involved in drilling the well.

7. Applicant also seeks to dually complete the proposed well in the Jalmat and Langlie-Mattix pools.

8. The pooling of all interests in the Jalmat pool underlying the SE¼ of Section 25, and the dual completion, will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

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