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May 18, 1990

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attn: Florene

Dear Mr. Stamets:

Enclosed for filing, please find three copies of Application of C. W. Trainer for compulsory pooling for its Wallace No. 2 in Lea County, New Mexico.

We ask that this case be set for hearing on **June 13, 1990**, and that we be furnished a copy of the docket for that hearing.

Very truly yours,

LOSEE, CARSON, HAAS & CARROLL, P.A.


Ernest L. Carroll

ELC:kth
Enclosures

cc w/encl: C. W. Trainer

**BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO**

**IN THE MATTER OF THE APPLICATION OF
C. W. TRAINER FOR FORCED POOLING
LEA COUNTY, NEW MEXICO**

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CASE NO.

9957

APPLICATION

COMES NOW C. W. TRAINER, by and through its attorneys, Losee, Carson, Haas & Carroll, P. A. and in support hereof, respectfully states:

1. Applicant has the right to re-enter the Wallace No. 2 Well, originally drilled to the Devonian Formation as an oil well, which is located at a point 1650 feet from the south line and 1650 feet from the east line of Section 31, Township 11 South, Range 38 East, N.M.P.M., Lea County, New Mexico.

2. The applicant has dedicated the NW/4 SE/4 of said section to this well, and there are interest owners in the proration unit who have not agreed to pool their interests.

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

4. 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 in said unit, all mineral interests, whatever they may be, from the surface through the base of the Devonian formation underlying the NW/4 SE/4 of said Section 31 should be pooled.

5. That any non-consenting working interest owner who 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.

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

WHEREFORE, applicant prays that:

A. This application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. Upon hearing the Division enter its order pooling all mineral interests, whatever they may be, from the surface through the Devonian formation underlying the ^{NW 1/4 SE 1/4} ~~NE 1/4 SW 1/4~~ of Section 31, Township 11 South, Range 38 East, N.M.P.M., Lea County, New Mexico, to form a 40-acre spacing unit dedicated to applicant's well.

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

C. W. TRAINER

By: 
Ernest L. Carroll

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Attorneys for Applicant