

Pennzoil

Surface to base
of the Pennsylvania

called in by

Tom

KELLAHIN and KELLAHIN

Attorneys at Law

El Patio - 117 North Guadalupe
Post Office Box 2265
Santa Fe, New Mexico 87504-2265

Jason Kellahin
W. Thomas Kellahin
Karen Aubrey

Telephone 982-4285
Area Code 505

October 9, 1984

RECEIVED

OCT 9 - 1984

Case 8394

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

OIL CONSERVATION DIVISION

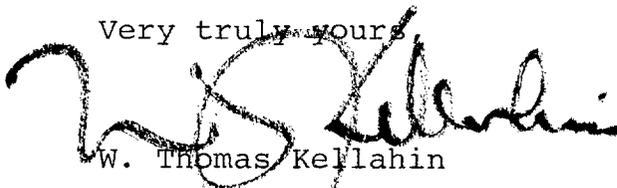
"Hand Delivered"

Re: Pennzoil Company
Forced Pooling and Unorthodox well Location
W/2 Sec 1, T17S, R34E, Lea County,
New Mexico

Dear Mr. Stamets:

On behalf of Pennzoil Company, please set the enclosed application for hearing at the next scheduled Examiner Docket now set for October 31, 1984.

Very truly yours



W. Thomas Kellahin

WTK:ca
Enc.

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

Shell Western E & P Inc.
200 N. Dairy Ashford
Room 4366
Houston, Texas 77079
Attn: Mr. Rick Goenner

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

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OCT 9 1964

OIL CONSERVATION DIVISION

CASE: 8394

IN THE MATTER OF THE
APPLICATION OF PENNZOIL
COMPANY FOR COMPULSORY
POOLING AND UNORTHODOX
GAS WELL LOCATION,
LEA COUNTY, NEW MEXICO

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 in the Atoka & Morrow Formations underlying the W/2 of Section 1, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico, for the formation of a proration and spacing unit for the said production and for approval of an unorthodox location 1980 feet FWL and 1320 feet FNL of said Section 1, and in support thereof would show the Commission:

1. Applicant is an owner of the right to drill and develop the W/2 of Section 1, Township 17 South, Range 34 East, NMPM.

2. Applicant proposes to drill a well at an unorthodox location 1980 feet FWL and 1320 feet FNL and to dedicate the W/2 of said Section to the well.

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:

Shell Western E & P Inc.
200 North Dairy Ashford
Room 4366
Houston, Texas 77079

Attn: Rick Goenner

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

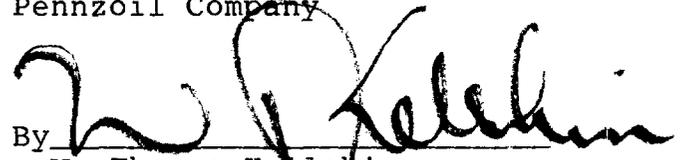
WHEREFORE applicant prays that this application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order pooling the mineral interest described herein. Applicant further prays for approval of its unorthodox location. 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

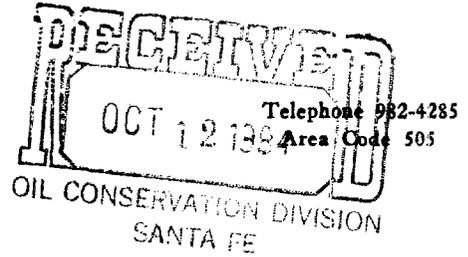
A handwritten signature in black ink, appearing to read "W. Thomas Kellahin", written over a horizontal line.

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

Attorneys for Applicant

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



October 10, 1984

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

Case 8394

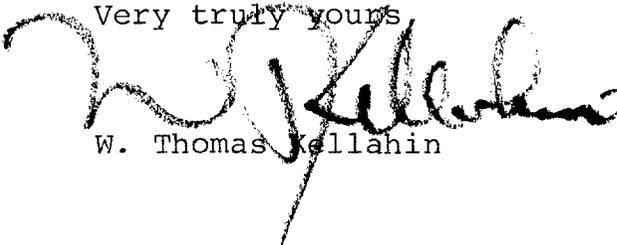
Re: Pennzoil Company
Forced Pooling and Unorthodox well location
W/2 Sec 1, T17S, R34E, Lea County
New Mexico

Dear Mr. Stamets:

On October 9, 1984, we filed the above referenced application for hearing on October 31, 1984.

Later that same day we amended that application with your office to reflect that we are seeking to force pool Shells' 50% interest in all formations from the surface to the base of the Pennsylvanian formations.

Very truly yours


W. Thomas Kellahin

WTK:ca

cc: Pennzoil Company
P. O. Drawer 1828
Midland, Texas 79702
Attn: Mr. Lonny Whitfield

Shell Western E & P Inc.
200 N. Dairy Ashford
Room 4366
Houston, Texas 77079
Attn: Mr. Rick Goenner