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January 9, 1985

HAND DELIVERED

Mr. R. L. Stamets
Director
Oil Conservation Division
New Mexico Department of
Energy and Minerals
Post Office Box 2088
Santa Fe, New Mexico 87501

RECEIVED

JAN 9 1985

OIL CONSERVATION DIVISION

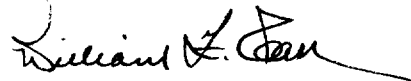
Re: Application of Inexco Oil Company for Compulsory
Pooling and a Non-Standard Spacing Unit, Lea County,
New Mexico.

Dear Mr. Stamets:

Enclosed in triplicate is the application of Inexco Oil
Company in the above-referenced case. Inexco Oil Company
respectfully requests that this matter be included on the docket
for the January 30, 1985 Examiner hearings.

Your attention to this request is appreciated.

Very truly yours,



William F. Carr

WFC/cv
enclosures

cc: Mr. Les Tacconi
(w/enclosure)

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

RECEIVED

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF INEXCO OIL COMPANY FOR COMPULSORY
POOLING AND A NON-STANDARD SPACING
UNIT, LEA COUNTY, NEW MEXICO.

Case 8472

APPLICATION

Comes now, INEXCO OIL COMPANY, by and through its undersigned attorneys, and as provided by Section 70-2-17, N.M.S.A. (1978), hereby makes application for an order pooling all of the mineral interests in all formations from the surface down to the top of the base of the Strawn formation (approximate depth 11,900 feet) in and under a non-standard spacing unit comprised of the NE/4 SW/4 and NW/4 SE/4 of Section 13, Township 17 South, Range 37 East, N.M.P.M., Lea County, New Mexico, and in support thereof would show the Division:

1. Applicant owns or represents approximately 55.3% of the working interest in and under the NE/4 SW/4 and NW/4 SE/4 of said Section 13, and applicant has the right to drill thereon.

2. Applicant seeks an exception to Rule 2 of the Special Pool Rules for the Humble City-Strawn Pool to permit the dedication to the Norris Well No. 3 of a non-standard spacing unit comprised of the NE/4 SW/4 and NW/4 SE/4 of said Section 13.

3. Applicant proposes to dedicate the above-referenced non-standard pooled unit to its Norris Well No. 3 to be drilled at an orthodox location 1980 feet from the South and East lines

of said Section 13.

4. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all interest owners in the NE/4 SW/4 and NW/4 SE/4 of said Section 13 except those owners of interests set out on Exhibit A attached hereto and incorporated herein by reference.

5. Said pooling of interest and well completion will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

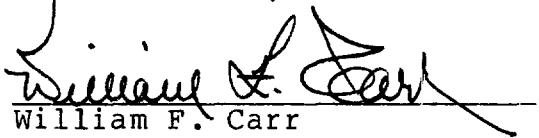
6. In order to permit the applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interest should be pooled, and applicant should be designated the operator of the well to be drilled.

WHEREFORE, applicant prays that this application be set for hearing before the Division's duly appointed Examiner on January 30, 1985, and that after notice and hearing as required by law the Division enter its order pooling the lands, including provisions for applicant to recover its costs of drilling, equipping and completing the well, and its costs of supervision while drilling and after completion, including overhead charges, and imposing a risk factor for the risk assumed by the applicant in drilling, completing and equipping the well, approving a non-standard spacing unit to be comprised of the NE/4 SW/4 and NW/4 SE/4 of said Section 13 and making such other and further provisions as may be proper in the premises.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By

A handwritten signature in dark ink, appearing to read "William F. Carr", is written over a horizontal line.

William F. Carr

Post Office Box 2208

Santa Fe, New Mexico 87501

(505) 988-4421

ATTORNEYS FOR INEXCO OIL
COMPANY

EXHIBIT A

Heirs of Mae Lee Address Unknown	0.625000% MI
Ronald J. Byers 1600 West Bank Tower 400 W. 15th Street Austin, Texas 78701	2.5% MI
Texaco, Inc. Post Office Box 3109 Midland, Texas 79701 Attn: Gary Cox	22.500000% MI
Sabine Corporation 1200 Mercantile Bank Bldg. Dallas, Texas 75201 Attn: B. L. House	2.734375% MI
Tenneco Oil Company 7990 I.H. 10 West San Antonio, Texas 78230	6.250000% MI
Kirby Exploration Company Post Office Box 1745 Houston, Texas 77001	4.453125% MI
Raymond Farley, Trustee for John Walker 1275 Market San Francisco, California 94103	.1041667% MI
Rosanne W. Walkey 2080 Joy Road Occidental, California 95465	.1041667% MI
Kathleen Blake 2441 North Beachwood Drive Hollywood, California 90068	.1041667% MI
Imogene Walker Post Office Box 6087 Carmel, California 93922	.1041667% MI
Maude Van Anderson 1425 Lake Front Road Lake Oswego, Oregon 97034	.1041667% MI
David Walker 124 Modrona Avenue Bevedere, California 94920	.1041667% MI