

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

RECEIVED
OCT 1 1984
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF SOUTHLAND ROYALTY COMPANY FOR
COMPULSORY POOLING, SAN JUAN COUNTY,
NEW MEXICO.

Case 8633

APPLICATION

Comes now, SOUTHLAND ROYALTY 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 from the surface to the base of the Dakota formation, in and under the NW/4 of Section 15, Township 29 North, Range 14 West, N.M.P.M., San Juan County, New Mexico, and in support thereof would show the Division:

1. Applicant owns or represents approximately 92.6% of the working interest in and under the NW/4 of Section 15, and applicant has the right to drill thereon.

2. Applicant proposes to dedicate the above-referenced pooled unit to a well to be drilled at an orthodox location in said Section 15.

3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other interest owners in the NW/4 of said Section 15, except for the following:

Foutz & Foutz Investment Company, Inc. .0664375%
Post Office Box 841
Kirtland, New Mexico 87417

Phil Blaine Foutz and Cindra G. Foutz .0024375%
Post Office Box 841
Kirtland, New Mexico 87417

Phil W. Foutz and Melba Foutz .0036875%
Post Office Box 508
Kirtland, New Mexico 37417

Anthony Brian Foutz and Lottie Jo Foutz .0014375%
Post Office Box 1077
Kirtland, New Mexico 37417

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

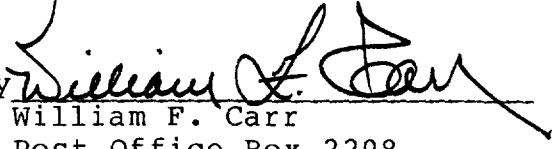
5. In order to permit the applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interests should be pooled, and applicant should be designated the operator of the well to be drilled.

WHEREFORE, applicant prays that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on June 19, 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, 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 the location of the well as proposed by applicant, 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", written over a horizontal line.

William F. Carr

Post Office Box 2208

Santa Fe, New Mexico 87501

(505) 988-4421

ATTORNEYS FOR SOUTHLAND

ROYALTY COMPANY