

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

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OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF
SOHIO PETROLEUM COMPANY a/k/a
STANDARD OIL PRODUCTION COMPANY FOR
COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.

CASE NO. 9261

APPLICATION

COMES NOW SOHIO PETROLEUM COMPANY a/k/a STANDARD OIL PRODUCTION 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 the Strawn and Atoka formations in and under the N/2 NE/4 of Section 2, 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 approximately 65% of the working interest in and under the N/2 NE/4 of Section 2, and Applicant has the right to drill thereon.

2. Applicant proposes to dedicate the above-referenced pooled unit to its State 2 No. 1 Well to be drilled at a standard location in said Section 2, to a depth of approximately 12,000 feet to test all formations to the base of the Atoka formation.

3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other interest owners in the N/2 NE/4 of said Section 2, except for the following working interest owners:

Texaco Producing Company	25% W.I.
Post Office Box 3019	
Midland, Texas 79705	

Sequoio Associated, Ltd.	10% W.I.
by Bechtel Investments, Inc.	
its general partner	
5400 Westheimer Ct.	
Houston, Texas 77156-5347	

4. Said pooling of interests 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.

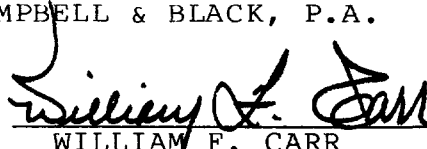
WHEREFORE, Applicant prays that this application be set for hearing before a duly appointed examiner of the Oil Conservation Division on November 18, 1987, and that after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions for Applicant to recover 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, 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.

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ATTORNEYS FOR SOHIO PETROLEUM COMPANY
a/k/a STANDARD OIL PRODUCTION COMPANY