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September 16, 2005

Florene Davidson  
Hearing Clerk  
Oil Conservation Division  
1220 So. St. Francis Drive  
Santa Fe, NM 87505

*Case 13578*

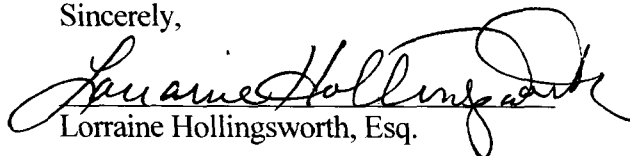
RE: Lynx Petroleum Consultants, Inc. Application for Compulsory Pooling

Dear Ms. Davidson:

Enclosed please find the original and two copies of Lynx Petroleum, Inc.'s Application for Compulsory Pooling, together with the proposed advertisement, for filing with the Division. Please set this matter for the October 20, 2005 Examiner hearing. I am also emailing you the proposed advertisement.

Thank you for your prompt attention to this matter.

Sincerely,

  
Lorraine Hollingsworth, Esq.

cc: Larry Scott

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

2005 SEP 21 AM 11 36

APPLICATION OF LYNX PETROLEUM  
CONSULTANTS, INC. FOR COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO

Case No. 13578

APPLICATION FOR COMPULSORY POOLING

Lynx Petroleum Consultants, Inc. hereby applies for an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the NE/4 NE/4 of Section 8, Township 18S, Range 32E, N.M.P.M., Lea County, New Mexico and, in support thereof, states:

1. Applicant Lynx Petroleum Consultants, Inc. is an interest owner in the NE/4 NE/4 of Section 8, and has the right to re-enter the plugged and abandoned Amoco Production Company Federal 'DM' No. 1 located thereon.

2. Applicant proposes to re-enter the above referenced well located 760' FNL and 960' FEL to a depth sufficient to test the Wolfcamp and Bone Springs formations and seeks to dedicate the following acreage to the well:

The NE/4 NE/4 of Section 8 to form a standard 40 acre oil spacing proration unit for any formations and/or pools developed on 40 acre spacing within that vertical extent.

3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the NE/4 NE/4 of Section 8 for the purposes set forth herein.

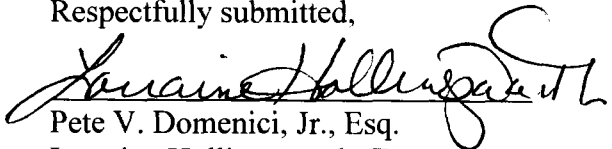
4. Although Applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the re-entry of the well or otherwise to commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interest. Therefore, Applicant seeks an order pooling all mineral interest owners in the NE/4 NE/4 of Section 8 pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests underlying NE/4 NE/4 of Section 8, as set forth above, will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

**WHEREFORE**, Applicant requests that, after notice and hearing, the Division enter an Order:

- A. Pooling all mineral interests in the NE/4 NE/4 of Section 8, from the surface to the base of the Wolfcamp formation;
- B. Designating Lynx Petroleum Consultants, Inc. as operator of the well;
- C. Considering the cost of re-entering and completing the well, and allocating the cost among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in re-entering and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,



Pete V. Domenici, Jr., Esq.  
Lorraine Hollingsworth, Esq.  
Domenici Law Firm, P.C.

Attorneys for Applicant  
320 Gold SW Suite 1000  
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PROPOSED ADVERTISEMENT

Case No. 13578 : **Application of Lynx Petroleum Consultants, Inc. for compulsory pooling, Lea County, New Mexico:** Lynx Petroleum Consultants, Inc. seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the NE/4 NE/4 of Section 8, Township 18S, Range 32E, N.M.P.M., Lea County, New Mexico, to form a standard 40 acre oil spacing proration unit for formations and/or pools developed on 40 acre spacing with vertical extent. Applicant Lynx Petroleum Consultants, Inc. proposes to re-enter the plugged and abandoned Amoco Production Company Federal 'DM' No. 1 located on the identified property. Applicant proposes to re-enter the referenced well located 760' FNL and 960' FEL to a depth sufficient to test the Wolfcamp and Bone Springs formations. Also to be considered will be cost of re-entering and completing the well and the allocation of the cost among the well's working interest owners, as well as actual operating costs and charges for supervision, together with a provision adjusting the rates pursuant to COPAS accounting procedure, designation as Lynx Petroleum Consultants, Inc. as operator of the well and a 200% charge for the risk involved in re-entering and completing the well.