

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

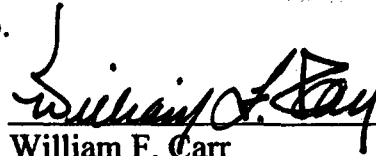
**IN THE MATTER OF THE APPLICATION OF  
DAVID H. ARRINGTON OIL & GAS, INC. FOR  
COMPULSORY POOLING, LEA COUNTY,  
NEW MEXICO**

**CASE NO. 13081**

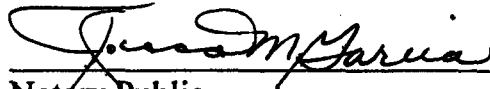
**AFFIDAVIT**

STATE OF NEW MEXICO       )  
) ss.  
COUNTY OF SANTA FE )

William F. Carr, attorney in fact and authorized representative of DAVID H. ARRINGTON OIL & GAS, INC., the Applicant herein, being first duly sworn, upon oath, states that notice has been given to all interested persons entitled to receive notice of this application under Oil Conservation Division rules, and that notice has been given at the addresses shown on Exhibit "A" attached hereto.

  
\_\_\_\_\_  
William F. Carr

SUBSCRIBED AND SWORN to before me this 14<sup>th</sup> day of May 2003.

  
\_\_\_\_\_  
Notary Public

My Commission Expires:

August 23, 2005

# HOLLAND & HART<sub>LLP</sub>

DENVER • ASPEN  
BOULDER • COLORADO SPRINGS  
DENVER TECH CENTER  
BILLINGS • BOISE • CASPER  
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WASHINGTON, D.C.

ATTORNEYS AT LAW  
P.O. BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
110 NORTH GUADALUPE, SUITE 1  
SANTA FE, NEW MEXICO 87501-6525

TELEPHONE (505) 888-4421  
FACSIMILE (505) 983-6043

Michael H. Feldewert

mfeldewert@hollandhart.com

May 15, 2003

## **CERTIFIED MAIL/RETURN RECEIPT REQUESTED**

**TO: AFFECTED INTEREST OWNERS**

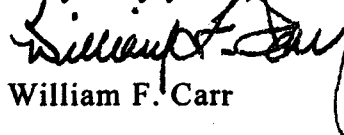
**Re: Application of David H. Arrington Oil & Gas, Inc.  
For Compulsory Pooling, Lea County, New Mexico  
Royal Stimulator "31" Well No. 2**

Ladies and Gentlemen:

This letter is to advise you that David H. Arrington Oil & Gas, Inc. has filed the enclosed application with the New Mexico Oil Conservation Division. This application has been set for hearing before a Division Examiner on June 5, 2003. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 1208.B to file a Pre-Hearing Statement with the Oil Conservation Division's Santa Fe office located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505, three days in advance of a scheduled hearing. This statement must include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

Very truly yours,

  
William F. Carr

Enclosure

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE APPLICATION  
OF DAVID H. ARRINGTON OIL & GAS, INC.  
FOR COMPULSORY POOLING, LEA COUNTY,  
NEW MEXICO.**

**CASE NO. \_\_\_\_\_**

**APPLICATION**

DAVID H. ARRINGTON OIL & GAS, INC. ("Arrington"), through its undersigned attorneys, hereby makes application pursuant to the provisions of N.M.Stat. Ann. 70-2-17, (1978), for an order pooling all uncommitted mineral interests from the surface to the base of the Mississippian formation, under the following acreage in irregular Section 31, Township 15 South, Range 36 East, NMPM, Lea County, New Mexico:

- A. Lots 1, 2, 3 and 4 and the E/2 W/2, (W/2 equivalent) to form a standard 320.56 acre stand-up gas spacing and proration unit for all formations or pools spaced on 320 acre spacing within that vertical extent;
- B. The SW/4 to form a standard 160.14 acre gas spacing and proration unit for all formations or pools spaced on 160 acres within that vertical extent; and
- C. The SW/4 NW/4 (Unit E) to form a standard 40.17 acre oil spacing and proration unit for all formations or pools spaced on 40 acres within that vertical extent, which presently includes but is not necessarily limited to the Caudill Permo-Upper Pennsylvanian Pool and the Undesignated Townsend Permo-Upper Pennsylvanian Pool.

These spacing and proration units are to be dedicated to Arrington's proposed Royal Stimulator "31" Well No. 2 to be drilled at a standard location in the W/2 of Section 31. The well will commence at a surface location 2235 feet from the North line and 330 feet from the West line (Unit E) of said Section 31, will be drilled vertically to a depth sufficient to test the Wolfcamp formation, and then directionally drilled in a southeasterly direction to a standard bottomhole location 1900 feet from the South line and 1300 feet from the West Line (Unit L) of said Section 31 to a depth sufficient to test the Mississippian formation.

In support of this application, Arrington states:

1. Arrington is a working interest owner in each of the proposed spacing and proration units and has the right to drill thereon.
2. Arrington has sought and been unable to obtain either voluntary agreement for pooling or farmout from certain interest owners in each of the proposed spacing and proration units.
3. The requested pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.
4. In order to permit the applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all mineral interests should be pooled, and Arrington should be designated operator of the proposed well.
5. This matter was the subject of an Examiner hearing in Case No. 12752 and Division Order No. R-11690, entered November 16, 2001 and Case No. 12858 and Division Order No. R-11776. However, said pooling Orders expired by their own terms and Arrington now intends to proceed with this project, thereby necessitating this new application.

WHEREFORE, Arrington requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 5, 2003 and that after notice and hearing as required by law the Division enter its order:

- A. pooling all mineral interests in the subject spacing and proration units,
- B. designating Arrington operator of the units and the well to be drilled thereon,
- C. authorizing Arrington to recover its costs of drilling, equipping and completing the well,
- D. approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures, and
- E. imposing a penalty for the risk assumed by the Arrington in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART, LLP

By: 

William F. Carr

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR DAVID H. ARRINGTON  
OIL & GAS, INC.

**EXHIBIT A**

**NOTICE LIST**

**DAVID H. ARRINGTON OIL & GAS, INC.  
FOR COMPULSORY POOLING  
W/2 OF SECTION 31, TOWNSHIP 15 SOUTH, RANGE 36 EAST, N.M.P.M.  
LEA COUNTY, NEW MEXICO.**

Anson Gas Corporation  
4005 NW Expressway  
Suite 400E  
Oklahoma City, Oklahoma 73116

Estate of Rada Jackson & Unknown  
Heirs; Thelma Champion and  
Mattie Pou, Assumed Heirs  
c/o Thelma Champion  
4932 Lyndon Drive  
Fort Worth, Texas 76116

Jerry D. Billington, Assumed Heir of  
Jamie Ann Medlin Billington  
4911 Matador  
Amarillo, Texas 79109

Robert Freck  
Post Office Box 4045  
Bergheim, Texas 78004

Shawn Freck  
Post Office Box 4045  
Bergheim, Texas 78004

Estate of Thelma Ann Turner  
& Unknown Heirs  
705 East Alston  
Hobbs, New Mexico 88240

James E. Bailey and Wilma J.  
Lair/Unknown Heirs  
Post Office Box 811  
Lovington, New Mexico 88260

Vera B. Selman  
1713 West Avenue J  
Lovington, New Mexico 88260

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

WPC 44468 0012	Postage	\$ 1.60
	Certified Fee	2.30
	Return Receipt Fee (Endorsement Required)	1.75
	Restricted Delivery Fee (Endorsement Required)	
	Total Postage & Fees	\$ 4.65

Sent To Anson Gas Corp.  
Street, Apt. No.,  
or PO Box No. 4005 NW Expressway, S  
City, State, ZIP+4 Oklahoma City OK 73116

PS Form 3800, January 2001 See Reverse for Instructions

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Anson Gas Corporation  
4005 NW Expressway  
Suite 400E  
Oklahoma City, Oklahoma 73116

2. Article Number (Copy from service label)

7001 1140 0002 5601 3931

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) Jody Dunn B. Date of Delivery 5-15-01

C. Signature Jody Dunn ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail  
☐ Registered ☒ Return Receipt for Merchandise  
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

WPC 44468 0012	Postage	\$ 1.60
	Certified Fee	2.30
	Return Receipt Fee (Endorsement Required)	1.75
	Restricted Delivery Fee (Endorsement Required)	
	Total Postage & Fees	\$ 4.65

Sent To James E. Bailey and Wilma J. Lair/Unknown Heirs  
Street, Apt. No.  
or PO Box No. Post Office Box 811  
City, State, ZIP Lovington, New Mexico 88260

PS Form 3800,



MAIL  
RETURNED

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Jerry D. Billington, Assumed Heir  
of  
Jamie Ann Medlin Billington  
4911 Matador  
Amarillo, Texas 79109

2. Article Number (Copy from se

7001 1140 0002 5601 3870

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) Jerry Billington B. Date of Delivery 5-20-01

C. Signature Jerry Billington ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail  
☐ Registered ☒ Return Receipt for Merchandise  
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

WPC 44468 0012	Postage	\$ 1.60
	Certified Fee	2.30
	Return Receipt Fee (Endorsement Required)	1.75
	Restricted Delivery Fee (Endorsement Required)	
	Total Postage & Fees	\$ 4.65

Sent To Jerry D. Billington, Assumed  
of Jamie Ann Medlin Billington  
Street, Apt. No.  
or PO Box No. 4911 Matador  
City, State, ZIP Amarillo, Texas 79109

PS Form 3800,



U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

WPC 44488 0012	Postage	\$ .60
	Certified Fee	2.30
	Return Receipt Fee (Endorsement Required)	1.75
	Restricted Delivery Fee (Endorsement Required)	
	Total Postage & Fees	\$ 4.65



Sent To  
Estate of Rada Jackson a/o Thelma Champion  
Street, Apt. No.,  
or PO Box No. 4932 Lyndon Drive  
City, State, ZIP+4 Fort Worth, TX 76116

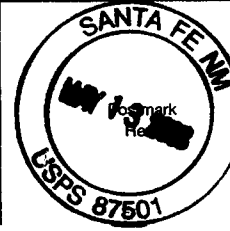
PS Form 3800, January 2001 See Reverse for Instructions

MAIL RETURNED

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

WPC 44488 0012	Postage	\$ .60
	Certified Fee	2.30
	Return Receipt Fee (Endorsement Required)	1.75
	Restricted Delivery Fee (Endorsement Required)	
	Total Postage & Fees	\$ 4.65



Sent To  
Estate of Thelma Ann Turner  
& Unknown Heirs  
Street, Apt. No.  
or PO Box No. 705 East Alston  
City, State, ZIP Hobbs, New Mexico 88240

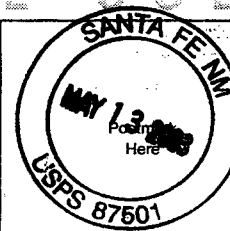
PS Form 3800, January 2001

MAIL RETURNED

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

WPC 44488 0012	Postage	\$ .60
	Certified Fee	2.30
	Return Receipt Fee (Endorsement Required)	1.75
	Restricted Delivery Fee (Endorsement Required)	
	Total Postage & Fees	\$ 4.65



Sent To  
Robert Freck  
Street, Apt. No.  
or PO Box No. Post Office Box 4045  
City, State, ZIP Berghem, Texas 78004

PS Form 3800, January 2001



U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

WFC  
44458  
0012  
Postage \$ .60  
Certified Fee 2.30  
Return Receipt Fee (Endorsement Required) 1.75  
Restricted Delivery Fee (Endorsement Required)  
Total Postage & Fees \$ 4.65



Sent To  
Shawn Freck  
Post Office Box 4045  
Bergheim, Texas 78004

PS Form 380

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage)

OFFICIAL USE

WFC  
44458  
0012  
Postage \$ .60  
Certified Fee 2.30  
Return Receipt Fee (Endorsement Required) 1.75  
Restricted Delivery Fee (Endorsement Required)  
Total Postage & Fees \$ 4.65



Sent To  
Vera B. Selman  
1713 West Avenue J  
Lovington, New Mexico

PS Form 3800, J

**SENDER: COMPLETE THIS SECTION**

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Vera B. Selman  
1713 West Avenue J  
Lovington, New Mexico 88260

2. Article Number (Copy from ser

7001 1140 0002 5601 3924

PS Form 3811, July 1999

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature  
X Vera Selman ☐ Agent ☒ Addressee

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type  
☒ Certified Mail ☐ Express Mail  
☐ Registered ☒ Return Receipt for Merchandise  
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

Domestic Return Receipt

102595-00-M-0952

CERTIFIED MAIL

HOLLAND & HAI  
ATTORNEYS AT LAW

SUITE 1  
110 NORTH GUADALUPE  
SANTA FE, NEW MEXICO 87501-4  
PO BOX 2208  
SANTA FE, NEW MEXICO 85704-2208

7001 1140 0002 5601 3900

Estate of Thelma Ann Turner  
& Unknown Heirs  
705 East Alston  
Hobbs, New Mexico 88240



MAY 20 2003



**HOLLAND & HART**  
ATTORNEYS AT LAW

SUITE 1

110 NORTH GUADALUPE

SANTA FE, NEW MEXICO 87501-6525

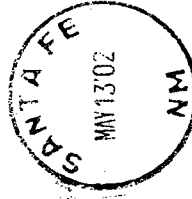
P.O. BOX 2208

SANTA FE, NEW MEXICO 85704-2208

**CERTIFIED MAIL**

7001 1140 0002 5601 3448

**MAY 21 2003**



POSTAGE  
14.65  
\$1.071

Estate of Rada Jackson &  
Unknown Heirs; Thelma Champion  
and Mattie Pou, Assumed Heirs  
c/o Thelma Ct  
4932 Lyndon I  
Fort Worth, TX

CHAMPION 751162238 1402 28 05/16/03  
FORWARD TIME EXP RTN TO SEND  
CHAMPION  
1200 COZBY ST S  
BENBROOK TX 75126-3310

7511

**HOLLAND & HART**  
ATTORNEYS AT LAW

SUITE 1

110 NORTH GUADALUPE

SANTA FE, NEW MEXICO 87501-6525

P.O. BOX 2208

SANTA FE, NEW MEXICO 85704-2208

1140 0002 5601 3917

James E. Bailey and Wilma J.  
Lair/Unknown Heirs  
Post Office Box 811  
Lovington, New Mexico