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November 10, 2006


Case 13833

Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed for filing, on behalf of Purvis Operating Co., are an original and one copy of two applications for compulsory pooling, together with proposed advertisements. The advertisements have also been e-mailed to the Division. Please set these matter for the December 13, 2006 Examiner hearing. Thank you.

Very truly yours,



James Bruce

Attorney for Purvis Operating Co.

PARTIES BEING POOLED

Chesapeake Exploration Limited Partnership
P.O. Box 18496
Oklahoma City, Oklahoma 73154-0496

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

**APPLICATION OF PURVIS OPERATING CO.
FOR COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.**

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Case No. 13833

APPLICATION

Purvis Operating Co. applies for an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Mississippian formation underlying the N½ of Section 8, Township 15 South, Range 35 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

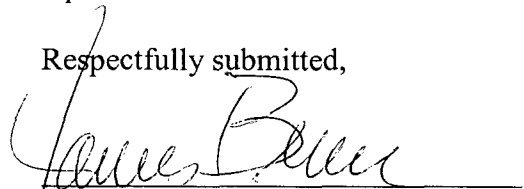
1. Applicant owns an interest in the N½ of Section 8.
2. Applicant proposes to drill its Coyote State Well No. 1, at an orthodox gas well location in the NW¼ of Section 8, to a depth sufficient to test the Mississippian formation, and seeks to dedicate the N½ of Section 8 to the well to form a standard 320 acre gas and spacing and proration unit for all pools or formations developed on 320-acre spacing within that vertical extent, including the Undesignated North Morton-Atoka Gas Pool, Undesignated East Morton-Morrow Gas Pool, and Undesignated Morton-Mississippian Pool.
3. Applicant has sought to obtain the voluntary joinder of all other mineral interest owners in the N½ 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 drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the N½ of Section 8, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests underlying the N½ of Section 8 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interests in the N½ of Section 8, from the top of the Wolfcamp formation to the base of the Mississippian formation;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling 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 drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Purvis Operating Co.

PROPOSED ADVERTISEMENT

Case No. 13833 : Application of Purvis Operating Co. for compulsory pooling, Lea County, New Mexico: Applicant seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Mississippian formation underlying the N/2 of Section 8, Township 15 South, Range 35 East, NMPM, to form a standard 320-acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent, including the Undesignated North Morton-Atoka Gas Pool, Undesignated East Morton-Morrow Gas Pool, and Undesignated Morton-Mississippian Pool. The unit is to be dedicated to the proposed Coyote State Well No. 1, to be drilled at an orthodox gas well location in the NW/4 of Section 8. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 8 miles northwest of Lovington, New Mexico.

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