KELLAHIN AND KELLAHIN

Jason Kellahin W. Thomas Kellahin Karen Aubrey James B. Grant Attorneys at Law El Patio - 117 North Guadalupe Post Office Box 2265 Santa Fe, New Mexico 87501

December 27, 1983

DEC 28 1983

Case 804)

Telephone 982-4285

Area Code 505

Mr. Joe D. Ramey Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Re: Ray H. Haskins

Dear Mr. Ramey:

Please find enclosed on behalf of Ray H. Haskins, an application for compulsory pooling which we would appreciate being set for hearing on Wednesday, January 18, 1984, in Santa Fe, New Mexico at 9:00 A.M.

Very tr Thomas

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WTK:ca Enc.

cc: Ray H. Haskins P. O. Box 2582 Midland, Texas 79702

> Thomas Max Nygaard P. O. Box 238 Dallas, Texas 75221

> Dasie Keith P. O. Box 238 Dallas, Texas 75221

> Alice Nygaard P. O. Box 238 Dallas, Texas 75221

> Shirley Nygaard P. O. Box 238 Dallas, Texas 75221

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STATE OF NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS OIL CONSERVATION DIVISION

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IN THE MATTER OF THE APPLICATION OF RAY H. HASKINS, FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE: 8047

OIL CON

## <u>A P P L I C A T I O N</u>

Comes now Ray H. Haskins, and applies to the Oil Conservation Division of New Mexico for an order pooling all mineral interests in the Wolfcamp Formation underlying the W/2 of Section 32, Township 12 South, Range 36 East, NMPM, Lea County, New Mexico, for the formation of a proration and spacing unit for the said production and in support thereof would show the Commission:

1. Applicant is an owner of the right to drill and develop the W/2 of Section 32, Township 12 South, Range 36 East, NMPM.

2. Applicant proposes to drill a well at a standard location and to dedicate the W/2 of said Section to the well if it is a gas well and the N/2SW/4 if it is an oil well.

3. Applicant has sought to obtain the cooperation of all parties.

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4. In order to obtain their just and equitable share of the production underlying the above lands, Applicant needs an order pooling the mineral interest involved.

5. Those who have not consented to join in the drilling of the well, with their addresses, to the best of applicant's information and belief, are as follows:

- 1) Thomas Max Nygaard
  P. O. Box 238
  Dallas, Texas 75221
- 2) Dasie Keith P. O. Box 238 Dallas, Texas 75221
- 3) Alicia Nygaard P.O. Box 238 Dallas, Texas 75221
- Shirley Nygaard
   P. O. Box 238
   Dallas, Texas 75221

The foregoing interests total 1/24th unleased minerals.

6. The parties named in paragraph 5 above have been furnished a copy of this application.

WHEREFORE applicant prays that this application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order pooling the mineral interest described herein. Applicant further prays that it be named operator of the well, and that the order make provision for applicant to recover out of production its

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costs of drilling the subject well, completing and equipping it, costs of operation, including costs of supervision and a risk factor in the amount of 200% for the drilling of the well, for such other and further relief as may be proper.

Respectfully submitted,

RAY H. HASKINS By.

W. Thomas Kellahin KELLAHIN & KELLAHIN Post Office Box 2265 Santa Fe, New Mexico 87501 Attorneys for Applicant

## TATUM-WOLFCAMP POOL Lea County, New Mexico

Order No. 22. Adopting Rules for the Tatum-Wolfcamp Pool, Lea County, New Mexico, September 30, 1959.

Application of Union Oil Company of California for an order establishing special rules and regulations for the Tatum-Wolfcamp Pool, Lea County, New Mexico to provide for 80acre proration units.

> CASE NO. 1756 Order No. R-1492

## ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m. on September 16, 1959, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 30th day of September, 1959, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Union Oil Company of California, seeks the promulgation of special rules and regulations for the Tatum-Wolfcamp Pool in Lea County, New Mexico, to provide for 80-acre proration units.

(3) That the applicant has proved by a preponderance of the evidence that the Tatum-Wolfcamp Pool can be efficiently and economically drained and developed on 80-acre proration units.

(4) That to require development of the Tatum-Wolfcamp Pool on 40-acre proration units might cause the drilling of unnecessary wells.

(5) That the evidence presented indicates that it is uneconomical to drill wells on 40-acre proration units in the Tatum-Wolfcamp Pool and to remain on such a spacing pattern might impede further development in said pool.

(6) That 80-acre proration units should be established in the Tatum-Wolfcamp Pool.

IT IS THEREFORE ORDERED:

That special rules and regulations for the Tatum-Wolfcamp Pool in Lea County, New Mexico, be and the same are hereby promulgated as follows, effective October 1, 1959; provided, however, that the increased allowable provisions contained herein shall not become effective until November 1, 1959. R. W. BYRAM & CO., -JULY, 1960

## SPECIAL RULES AND REGULATIONS FOR THE TATUM-WOLFCAMP POOL

RULE 1. Each well completed or recompleted in the Tatum-Wolfcamp Pool or in the Wolfcamp formation within one mile of the Tatum-Wolfcamp Pool, and not nearer to nor within the limits of another designated Wolfcamp pool, shall be spaced, drilled, operated, and prorated in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well completed or recompleted in the Tatum-Wolfcamp Pool shall be located on a unit containing 80 acres, more or less which consists of the N/2, S/2, E/2, or W/2 of a single governmental quarter section; provided, however, that nothing contained herein shall be construed as prohibiting the drilling of a well on each of the quarter-quarter sections in the unit.

RULE 3. The initial well on any 80-acre proration unit in said pool shall be located within 150 feet of the center of either the NW/4 or the SE/4 of the quarter section on which the well is located. Any well which was drilling to or completed in the Tatum-Wolfcamp Pool prior to October 1, 1959, is granted an exception to the well location requirements of this rule.

RULE 4. For good cause shown, the Secretary-Director may grant exception to the requirements of Rule 2 without notice and hearing when the application is for a non-standard unit comprising a single quarter-quarter section or lot, or when the application is for the purpose of joining fractional lots not exceeding 20.49 acres each with a standard unit. All operators offsetting the proposed non-standard unit shall be notified of the application by registered mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application if, after a period of 30 days, no offset operator has entered an objection to the formation of such non-standard unit.

The allowable assigned to any such non-standard unit shall bear the same ratio to a standard allowable in the Tatum-Wolfcamp Pool as the acreage in such non-standard unit bears to 80 acres.

RULE 5. An 80-acre proration unit (79 through 81 acres) in the Tatum-Wolfcamp Pool shall be assigned an 80-acre proportional factor of 5.67 for allowable purposes, and in the event there is more than one well on an 80-acre proration unit, the operator may produce the allowable assigned to the unit from the wells on the unit in any proportion.

IT IS FURTHER ORDERED:

That Operators who propose to dedicate 80 acres to a well in the Tatum-Wolfcamp Pool must file an amended Commission Form C-128 with the Hobbs District Office of the Commission by October 15, 1959, in order that the well may be assigned an 80-acre allowable on the November proration schedule.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.