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April 27, 1983

Mr. Joe D. Ramey, Director Oil Conservation Division New Mexico Department of Energy & Minerals Post Office Box 2088 Santa Fe, New Mexico 87501



RE: Application of Inexco Oil Company for Compulsory Pooling, and an unorthodox location, Lea County, New Mexico

Dear Mr. Ramey:

Enclosed in triplicate is the application of Inexco Oil Company in the above-referenced matter.

The applicant requests that this matter be included on the docket for the examiner hearing scheduled to be held on May 11, 1983.

Very truly yours,

William F. Carr

encl. WFC:mdl

cc: Mr. Les Tacconi Inexco Oil Company 211 Highland Cross

Suite 201

Houston, Texas 77073 (w/enclosures)

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

SANTA FE

IN THE MATTER OF THE APPLICATION OF INEXCO OIL COMPANY FOR COMPULSORY POOLING, AND AN UNORTHODOX LOCATION, LEA COUNTY, NEW MEXICO.

Case	

APPLICATION

Comes now, Inexco Oil Company, by and through its undersigned attorneys and, as provided by Section 70-2-17, New Mexico Statutes Annotated, 1978 Compilation, hereby makes application for an order pooling all of the mineral interests from the surface to the base of the Strawn formation under the W/2 SW/4 of Section 13, Township 17 South, Range 37 East, N.M.P.M., Lea County, New Mexico, for approval of an unorthodox well location and in support thereof would show the Division:

- 1. Applicant is the owner of 30.116468% of the working interest in and under the W/2 SW/4 of Section 13, and applicant has the right to drill thereon.
- 2. Applicant proposes to dedicate the above-referenced pooled unit to a Well to be drilled at an unorthodox location 1650 feet from the South line and 330 feet from the West line of said Section 13.

- 3. Applicant has sought and obtained either voluntary agreement for pooling or farm-out from all other working interest owners in the W/2 SW/4 of said Section 13 except those interest owners set out on Exhibit A attached to this application.
- 4. Said pooling of interest and well completion will avoid 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 interest should be pooled, the unorthodox well location should be approved, and applicant should be designated the operator of the well to be drilled.

WHEREFORE, Applicant prays that this application be set for hearing before the Division's duly appointed examiner on May 11, 1983, and that after this notice and hearing as required by law, the Division enter its order pooling the lands, including provisions designating the applicant as operator of the well, providing 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 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, BYRD AND BLACK, P.A.

William F. Carr
Post Office Box 2208
Santa Fe, New Mexico 87501
Attorneys for Applicant

EXHIBIT A

David Petroleum 714 Petroleum Building Roswell, New Mexico 88201	5.828995% WI
Colin R. McMillan 714 Petroleum Building Roswell, New Mexico 88201	4.857496% WI
Estate of Charles Lovelace 714 Petroleum Building Roswell, New Mexico 88201	3.613978% WI
A H 1980 Program Inc. c/o Amerada Hess Corporation P. O. Box 2040 Tulsa, Oklahoma 74102	16.515485% WI
Richard Lyons Moore 404 Blanks Building Midland, Texas 79701	0.520833% MI
Michael Harrison Moore 404 Blanks Building Midland, Texas 79701	0.520833% MI
Steven Scott Moore 404 Blanks Building Midland, Texas 79701	0.520534% MI
Sabine Corporation 1200 Mercantile Bank Building Dallas, Texas 75201	2.734375% MI
Kirby Exploration P. O. Box 1745 Houston, Texas 77001	4.453125% MI
Rebel Oil Company 603 Seca Drive Hobbs, New Mexico 88240	3.125000% MI

EXHIBIT A-CONTINUED

Mae D. and William G. Lee (address unknown)	0.625000%	MI
G.A. Mason (address unknown)	0.625000%	MI
Alice Maude Roche Blackman (address unknown)	0.625000%	MI
Estate of H.E. Jackson (address unknown)	0.070536%	MI
Estate of Alex Collins (address unknown)	0.726740%	MI
Mrs. A.D. Neal (address unknown)	0.106874%	MI
Estate of H.A. Wimberly (address unknown)	0.064124%	MI
Eva Browne Tweedy c/o J.L. Tweedy, Trustee (address unknown)	0.192373%	MI
Mary Hobbs Griffith and First National Bank of Dallas as Trustees for the Estate of Minnie Sanderson Hobbs (address unknown)	0.054437%	MI
Mary F. Hobbs (address unknown)	0.082293%	MI
Estate of Charles Hobbs Griffith (address unknown)	0.109011%	MI
First National Bank of Dallas, Trustee of Mineral Deed dated April 19, 1965 by Mary Hobbs Griffith (address unknown)	0.054505%	MI

EXHIBIT A-CONTINUED

Mary H. Griffith (address unknown)

0.135798% MI