

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

IN THE MATTER OF THE APPLICATION
OF JOHN H. HENDRIX CORPORATION
FOR COMPULSORY POOLING
LEA COUNTY, NEW MEXICO.

CASE NO. 11892

APPLICATION

JOHN H. HENDRIX CORPORATION, through its undersigned attorneys, hereby makes application pursuant to the provisions of N.M.S.A. 1978, Section 70-2-17, for an order pooling all mineral interests from the top of the San Andres formation to the base of the Abo formation in all formations developed on 80-acre spacing underlying the S/2 SW/4, including the Monument- Tubb Pool, and in all formations developed on 40-acre spacing underlying the SW/4 SW/4 of Section 3, Township 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico, and in support of this application states:

1. John H. Hendrix Corporation is a working interest owner in the S/2 SW/4 of Section 3, and has the right to drill thereon.
2. Applicant proposes to drill its proposed Ellen Weir Well No. 2 in said Section 3 at a standard location 330 feet from the South line and 860 feet from the West line (Unit M) of said Section 3 to test all formations from the top of the San Andres formation to the base of the Abo formation.

3. Applicant has sought and been unable to obtain either a voluntary agreement for pooling or farmout from Samson Resources Co., 2 West Second Street, Tulsa, Oklahoma 74103.

4. Said pooling of interests and the drilling of the Ellen Weir Well No. 2 will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.


5. In order to permit John H. Hendrix Corporation to obtain its just and fair share of the oil and gas underlying the subject lands, all mineral interests should be pooled, and John H. Hendrix Corporation should be designated the operator of the well to be drilled.

WHEREFORE, John H. Hendrix Corporation requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 4, 1997, and, after notice and hearing as required by law, the Division enter its order pooling all mineral interests under the subject lands, designating John H. Hendrix Corporation operator of the proposed well and spacing unit, authorizing it to recover its costs of supervision while drilling and after completion, including overhead charges, and imposing a risk factor for the risk assumed by John H. Hendrix Corporation in drilling, completing and equipping the well.

Respectfully submitted,

CAMPBELL, CARR , BERGE
& SHERIDAN, P.A.

By: _____


WILLIAM F. CARR
PAUL R. OWEN
Post Office Box 2208
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Telephone: (505) 988-4421

ATTORNEYS FOR JOHN H. HENDRIX
CORPORATION

CASE 11892 :

Application of John H. Hendrix Corporation for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests in all formations from the top of the San Andres formation to the base of the Abo formation developed on 80-acre spacing underlying the S/2 SW/4, and in all formations developed on 40-acre spacing underlying the SW/4 SW/4 of Section 3, Township 20 South, Range 37 East. Said unit is to be dedicated to its Ellen Weir Well No. 2 which will be drilled at a standard location 330 feet from the South line and 860 feet from the West line (Unit M) of said Section 3. Also to be considered will be the cost of drilling and completing said 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 charge for risk involved in drilling said well. Said area is located approximately ___ miles _____ of _____, New Mexico.

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

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November 12, 1997

HAND-DELIVERED

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco
Santa Fe, New Mexico 87503

11892

Re: *Application of John H. Hendrix Corporation for compulsory pooling, Lea
County, New Mexico*

Dear Mr. LeMay:

Enclosed in triplicate is the Application of John H. Hendrix Corporation, in the above-referenced case as well as a legal advertisement. John H. Hendrix Corporation, respectfully requests that this matter be placed on the docket for the December 4, 1997 Examiner hearings.

Very truly yours,



WILLIAM F. CARR
PAUL R. OWEN
WFC/PRO:mlh

Enclosures

cc: Damian Barrett (w/enclosures)
John H. Hendrix Corporation
Post Office Box 3040
Midland, TX 79702-3040