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July 14, 1998

11943

OIL CONSERVATION DIV  
98 JUL 14 PM 3:08

**HAND-DELIVERED**

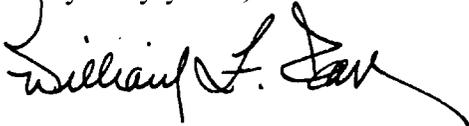
Lori Wrotenbery, Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
2040 South Pacheco Street  
Santa Fe, New Mexico 87503

Re: *Amended Application of John H. Hendrix Corporation for Compulsory Pooling and an Unorthodox Well Location, Lea County, New Mexico*

Dear Ms. Wrotenbery:

Enclosed in triplicate is the Amended Application of John H. Hendrix Corporation in the above-referenced case as well as a copy of the legal advertisement. John H. Hendrix Corporation requests that this matter be placed on the docket for the August 6, 1998 Examiner hearings.

Very truly yours,



WILLIAM F. CARR

WFC:mlh  
Enclosures

cc: Mr. Damian Barrett (w/enclosures)  
Baqash Resources  
414 West Texas, Suite 400M  
Midland, TX 79701

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

98 JUN 14 PM 3:08  
OIL CONSERVATION DIV.

IN THE MATTER OF THE AMENDED  
APPLICATION OF JOHN H. HENDRIX CORPORATION  
FOR COMPULSORY POOLING AND  
AN UNORTHODOX WELL LOCATION,  
LEA COUNTY, NEW MEXICO.

CASE NO. 11933

**AMENDED APPLICATION**

JOHN H. HENDRIX CORPORATION ("Hendrix"), through its undersigned attorneys, hereby makes application pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all mineral interests from 7000 feet (approximate top of the Abo formation) to the base of the Strawn formation in all formations developed on 40-acre spacing underlying the NE/4 NW/4, including the Southeast Monument-Abo Pool, and in all formations developed on 80-acre spacing underlying the E/2 NW/4, including the Cass Pennsylvanian Pool, of Section 16, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, and in support thereof states:

1. John H. Hendrix Corporation is a working interest owner in the E/2 NW/4 of Section 16 and has the right to drill thereon.
2. Hendrix proposes to dedicate the above-referenced pooled spacing or proration units to either (A) its proposed Wood State Well No. 4 to be drilled in said Section 16 at an unorthodox location in the Strawn formation, 660 feet from the North line and 2310 feet from the West line (Unit C) or, in the alternative, (B) its recently acquired Conoco State CC-16

Well No. 1 located at an unorthodox Strawn location 330 feet from the North line and 2080 feet from The West line (Unit C).

3. Hendrix has sought and been unable to obtain either voluntary agreement for pooling or farmout from the interest owners in the subject spacing units identified on Exhibit A to this application.

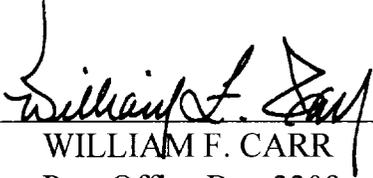
4. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

5. In order to permit Hendrix 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 pooled units and the well to which they are dedicated.

WHEREFORE, John H. Hendrix Corporation prays that this application be set for hearing before an Examiner of the Oil Conservation Division on August 6, 1998 and, after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions for Hendrix to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling and after completion, including overhead charges, and imposing a risk factor for the risk assumed by Hendrix in drilling, completing and equipping the well.

Respectfully submitted,

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

By:  \_\_\_\_\_

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ATTORNEYS FOR JOHN H. HENDRIX  
CORPORATION

**EXHIBIT A  
NOTIFICATION LIST  
AMENDED APPLICATION OF JOHN H. HENDRIX CORPORATION  
FOR COMPULSORY POOLING  
AND AN UNORTHODOX WELL LOCATION,  
LEA COUNTY, NEW MEXICO**

**E/2 NW/4, SECTION 16, TOWNSHIP 20 SOUTH, RANGE 37 EAST,  
NMPM**

**Compulsory Pooling:**

Mr. and Mrs. Roger Hansen  
4642 Lorraine Ave.  
Dallas, Texas 75209

Dr. Henry Yeager  
5624 Knollwood Rd.  
Bethesda, Maryland 20816

**Unorthodox Well Location:**

Texaco Exploration and Production Inc.  
Post Office Box 3109  
Midland, Texas 79702  
Attn: Ron Lanning

Marathon Oil Company  
125 W. Missouri  
Midland, TX 79701