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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF SHACKELFORD OIL COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 12195

AFFIDAVIT

STATE OF NEW MEXICO) ss.
COUNTY OF SANTA FE)

William F. Carr, authorized representative of Shackelford Oil Company, the Applicant herein, being first duly sworn, upon oath, states that in accordance with the notice provisions of Division rules, the Applicant has attempted to find the correct addresses of all interested persons entitled to receive notice of this application and that notice has been given at the addresses shown on Exhibit "A" attached hereto.

William F. Carr

SUBSCRIBED AND SWORN to before me this 23rd day of June, 1999 by William F. Carr.

My Commission Expires:

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Case No. <u>12195</u> Exhibit No. <u>4</u>
Submitted by: <u>Shackelford Oil Company</u>
Hearing Date: June 24, 1999

EXHIBIT A

Samson Resources Company 2 West Second Street Tulsa, Oklahoma 74103 Attention: Brian Exline

E.G.L. Resources, Inc. 214 W. Texas, Suite 900 Midland, Texas 79702 Attention: Wes Perry Merit Energy Partners 12222 Merit Drive Dallas, Texas 75251-2217 Attention: Teresa Wyrick

Nearburg Exploration 3300 North Big Spring Building 2, Suite 120 Midland, Texas 79705 Attention: Duke Roush

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

LAWYERS

MICHAEL B CAMPBELL
WILLIAM F CARR
BRADFORD C BERGE
MARK F SHERIDAN
MICHAEL H. FELDEWERT
PAUL R. OWEN
KATHERINE M. MOSS

JACK M CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE I - 110 NORTH GUADALUPE
POST OFFICE BOX 2208

SANTA FE, NEW MEXICO 87504-2208
TELEPHONE (505) 988-4421
FACSIMILE. (505) 983-6043
E-MAIL ccbspa@ix.netcom.com

May 20, 1999

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Samson Resources Company 2 West Second Street Tulsa, Oklahoma 74103 Attention: Jay Miller

Re: Application of Shackelford Oil Company for Compulsory Pooling, Lea County,

New Mexico

Gentlemen:

This letter is to advise you that Shackelford Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of all mineral interests from the surface to the base of the Delaware formation in NE/4 SE/4 (Unit I) of Section 3, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico. Shackelford proposes to dedicate the referenced pooled unit to a well to be drilled at a standard oil well location in the NE/4 SE/4 of said Section 3.

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Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Vęry truly yours,

WILLIAM F. CARR

ATTORNEY FOR SHACKELFORD OIL COMPANY

Enc.

US Postal Service
Receipt for Certified Mail

Samson Resources Company 2 West Second Street Tulsa, Oklahoma 74103 Attention: Brian Exline

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Ì	Certified Fee	1.40
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	Restricted Delivery Fee	
1995	Return Receipt Showing to Whom & Date Delivered	1.25
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	TOTAL Postage & Fees	\$ 3.42
	Postmark or Date	

SENDER: Complete items 1 and/or 2 for additional services.	ing s	l also wish to receive the following services (for an extra fee):
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Card to you. Attach this form to the front of the mailpiece, or on the back if space does not		2. Restricted Delivery
peirm. Divite "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the date delivered.		recognitional property
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Samson Resources Company	4b. Service Type ☐ Registered	L Certified
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Tulsa, Oklahoma 74103	Return Receipt for t	Return Receipt for Merchandise COD
Attention: Brian Exline	Date of Delivery	<i>*</i>
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6. Signature (Addressee or Agept) Edwy Trolad		
PS Form 3811, December 1994	102595-99-B-0223	Domestic Return Receipt

Is your <u>RETURN ADDRESS</u> completed on the reverse side?

Thank you for using Return Receipt Service.

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

LAWYERS

MICHAEL B CAMPBELL
WILLIAM F CARR
BRADFORD C. BERGE
MARK F SHERIDAN
MICHAEL H FELDEWERT
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KATHERINE M. MOSS

JACK M. CAMPBELL
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JEFFERSON PLACE
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SANTA FE, NEW MEXICO 87504-2208

TELEPHONE: (505) 988-4421

FACSIMILE (505) 983-6043

E-MAIL: CCDSD8@ix.netcom.com

May 20, 1999

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Merit Energy Partners 12222 Merit Drive Dallas, Texas 75251-2217 Attention: Teresa Wyrick

Re: Application of Shackelford Oil Company for Compulsory Pooling, Lea County,

New Mexico

Gentlemen:

This letter is to advise you that Shackelford Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of all mineral interests from the surface to the base of the Delaware formation in NE/4 SE/4 (Unit I) of Section 3, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico. Shackelford proposes to dedicate the referenced pooled unit to a well to be drilled at a standard oil well location in the NE/4 SE/4 of said Section 3.

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Very truly yours,

WILLIAM F. CARR

ATTORNEY FOR SHACKELFORD OIL COMPANY

Enc.

US Postal Service
Receipt for Certified Mail
Merit Energy Partners 12222 Merit Drive Dallas, Texas 75251-2217

Attention: Teresa Wyrick

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SENDER:	I also wish to receive the follow- ing services (for an extra fee):
Complete items 3, 4a, and 4b. ☐ Print your name and address on the reverse of this form so that we can return this	
card to you. Attach this form to the front of the mailpiece, or on the back if space does not nermit	t 2. Addressee's Address
 Write "Return Receipt Requested" on the mailpiece below the article number. □ The Return Receipt will show to whom the article was delivered and the date delivered. 	
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Dallas, Texas 75251-2217	Return Receipt for Merchandise COD
Attention: Teresa Wyrick 7. Date	7. Date of Delivery 24M
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6. Signature (Addressap or Agent).	
PS Form 3811. December 1994	102595-99-B-0223 Domestic Return Receipt

Is your <u>RETURN ADDRESS</u> completed on the reverse side?

Thank you for using Return Receipt Service.

CAMPBELL, CARR, BERGE 8 SHERIDAN, P.A.

LAWYERS

MICHAEL B CAMPBELL
WILLIAM F CARR
BRADFORD C BERGE
MARK F SHERIDAN
MICHAEL H. FELDEWERT
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JACK M CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE I - HO NORTH GUADALUPE
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SANTA FE, NEW MEXICO 87504-2208

TELEPHONE (505) 988-4421

FACSIMILE (505) 983-6043

E-MAIL CODSDA@IX.Netcom com

May 20, 1999

CERTIFIED MAIL RETURN RECEIPT REQUESTED

E.G.L. Resources, Inc. 214 W. Texas, Suite 900 Midland, TX 79702 Attn: Wes Perry

Re: Application of Shackelford Oil Company for Compulsory Pooling, Lea County,

New Mexico

Gentlemen:

This letter is to advise you that Shackelford Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of all mineral interests from the surface to the base of the Delaware formation in NE/4 SE/4 (Unit I) of Section 3, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico. Shackelford proposes to dedicate the referenced pooled unit to a well to be drilled at a standard oil well location in the NE/4 SE/4 of said Section 3.

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Very truly yours,

WILLIAM F. CARR

ATTORNEY FOR SHACKELFORD OIL COMPANY

Enc.

US Postal Service
Receipt for Certified Mail

E.G.L. Resources, Inc. 214 W. Texas, Suite 900 Midland, TX 79702

Attn: Wes Perry

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	TOTAL Postage & Fees	\$ 3.42
PS Form 3	Postmark or Date	

Is your <u>RETURN ADDRESS</u> completed on the reverse side? Article Addressed to: Print your name and address on the reverse of this form so that we can return this ☐ Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b. SENDER: 214 W. Texas, Suite 900 E.G.L. Resources, Inc. Attn: Wes Perry 4b. Service Type
☐ Registered 4a. Article Number Z 559 541 964 ☐ Express Mail Date of Delivery Addressee's Address (Only if requested and fee is paid) ☐ Addressee's Address
 ☐ Restricted Delivery l also wish to receive the following services (for an extra fee): Domestic Return Receipt Certified Insured

,

Thank you for using Return Receipt Service.

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

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F CARR
BRADFORD C. BERGE
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SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
FACSIMILE (505) 983-6043
E-MAIL cobspa@ix.netcom.com

May 20, 1999

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Nearburg Exploration 3300 N. Big Spring Bldg. 2, Suite 120 Midland, TX 79705 Attn: Duke Roush

> Re: Application of Shackelford Oil Company for Compulsory Pooling, Lea County, New Mexico

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Very truly yours,

WILLIAM F CARR

ATTORNEY FOR SHACKELFORD OIL COMPANY

Enc.

US Postal Service
Receipt for Certified Mail
Nearburg Exploration

3300 N. Big Spring Bldg. 2, Suite 120 Midland, TX 79705

Attn: Duke Roush

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Is your <u>RETURN ADDRESS</u> completed on the reverse side?

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& SHERIDAN, P.A.

MICHAEL B CAMPBELL
WILLIAM F CARR
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TELEPHONE: (505) 988-4421

FACSIMILE (505) 988-4421

FACSIMILE (505) 983-6043

E-MAIL: ccbspa@ix.netcom.com

May 18, 1999

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 99 MAY 18 AM 8: 2

Re: Application of Shackelford Oil Company for Compulsory Pooling, Lea County, New Mexico

Dear Ms. Wrotenbery:

Enclosed in triplicate is the Application of Shackelford Oil Company in the above-referenced case as well as a copy of the legal advertisement. Shackelford Oil Company requests that this application be set for hearing before a Division Examiner on June 10, 1999.

Very truly yours,

WILLIAM F. CARR

WFC:mlh Enclosures

cc: Mr. Don Shackelford (w/enclosures)

Shackelford Oil Company Post Office Box 10665 Midland, Texas 79702

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

IN THE MATTER OF THE APPLICATION OF SHACKELFORD OIL COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO. CASE NO. ________ 8: 2

APPLICATION

Shackelford Oil Company ("Shackelford"), through its undersigned attorneys, hereby makes application pursuant to the provisions of NMSA 1978, Section 70-2-17, for an order pooling all mineral interests in all formations from the surface to the base of the Delaware formation in the NE/4 SE/4 of Section 3, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and in support thereof states:

- 1. Shackelford is a working interest owner in the NE/4 SE/4 of said Section 3 and has the right to drill thereon.
- 2. Shackelford proposes to dedicate the above-referenced spacing or proration unit to a well to be drilled at a standard location in the NE/4 SE/4 of said Section 3, to a depth sufficient to test any and all formations and/or pools from the surface to the base of the Delaware formation developed on 40-acre spacing which presently includes but is not necessarily limited to the Undesignated Teas Yates-Seven Rivers Pool and the Undesignated West Teas Yates-Seven Rivers Pool.
- 3. Applicant has sought and been unable to obtain either voluntary agreement for pooling or farmout from certain 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 the Applicant to obtain its just and fair share of the oil and

gas underlying the subject lands, all mineral interests should be pooled, and Shackelford Oil

Company should be designated the operator of the well to be drilled.

WHEREFORE, Shackelford Oil Company requests that this application be set for

hearing before an Examiner of the Oil Conservation Division on June 10, 1999, and, after

notice and hearing as required by law, the Division enter its order pooling the lands,

including provisions for Shackelford 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 Shackelford in drilling.

completing and equipping the well.

Respectfully submitted,

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

WILLIAM F. CARA

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR SHACKELFORD OIL COMPANY

APPLICATION, Page 2

EXHIBIT A

APPLICATION OF SHACKELFORD OIL COMPANY FOR COMPULSORY POOLING NE/4 SE/4 OF SECTION 3, TOWNSHIP 20 SOUTH, RANGE 33 EAST, N.M.P.M. LEA COUNTY, NEW MEXICO

Samson Resources Company 2 West Second Street Tulsa, Oklahoma 74103 Attention: Jay Miller

Merit Energy Partners 12222 Merit Drive Dallas, Texas 75251-2217 Attention: Teresa Wyrick

E.G.L. Resources, Inc. 214 W. Texas, Suite 900 Midland, TX 79702 Attn: Wes Perry

Nearburg Exploration 3300 N. Big Spring Bldg. 2, Suite 120 Midland, TX 79705 Attn: Duke Roush order pooling all mineral interests from the surface to the base of the Delaware formation underlying the NE/4 SE/4 (Unit I) of Section 3, Township 20 South, Range 33 East, N.M.P.M. thereby forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Teas Yates-Seven Rivers Pool and the Undesignated West Teas Yates-Seven Rivers Pool. Said unit is to be dedicated to a well to be drilled at a standard oil well location thereon. 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. The proposed 40-acre unit is located approximately 1.25 miles north of U. S. Highway 62-180 at mile marker No. 77.

Application of Shackelford Oil Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an

