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August 23, 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 87505

Re: Application of Snow Oil & Gas, Inc. for Compulsory Pooling, Eddy

County, New Mexico

Dear Ms. Wrotenbery:

Enclosed in triplicate is the Application of Snow Oil & Gas, Inc. in the above-referenced case as well as a copy of a legal advertisement. Snow Oil & Gas, Inc. requests that this matter be placed on the docket for the September 16, 1999 Examiner hearings.

vgry nury yours

WILLIAM F. CARR

Enclosures

cc: Dan Snow (w/enclosures)

Snow Oil & Gas, Inc. Post Office Box 1277 Andrews, Texas 79714

STATE OF NEW MEXICO

DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF SNOW OIL & GAS, INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO. 1224 (E.S.)

APPLICATION

SNOW OIL & GAS, INC. ("Snow"), through its undersigned attorneys, hereby makes application pursuant to the provisions of N.M.Stat.Ann. § 70-2-17, (1978), for an order pooling all mineral interests from the surface to the base of the Bone Spring formation, which includes but is not necessarily limited to the Esperanza-Delaware Pool, underlying the NW/4 SW/4 for all formations developed on 40-acre spacing in Section 28, Township 21 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and in support thereof states:

- 1. Snow is a working interest owner in the NW/4 SW/4 of said Section 28 and has the right to drill thereon.
- 2. Snow proposes to drill a well at a standard location in the NW/4 SW/4 (Unit L) of Section 28 to a depth sufficient to test any and all formations from the surface to the base of the Bone Spring formation.
- 3. Snow has sought and been unable to obtain either a voluntary agreement for pooling or farmout from certain interest owners in the NW/4 SW/4 of said Section 28.
- 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 Snow to proceed with its efforts to obtain its just and fair share of the oil and gas underlying the subject lands, all mineral interests should be pooled, and Snow should be designated the operator of the well to be drilled.

WHEREFORE, Snow Oil & Gas, Inc. requests that this application be set for hearing before an examiner of the Oil Conservation Division on September 16, 1999 and, after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions designating Snow Oil & Gas, Inc. Operator of the pooled unit.

Respectfully submitted,

CAMPBELL, CARR, BERGE,

& SHERIDAN, P.A.

WILLIAM E CARR

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR SNOW OIL & GAS, INC.

CASE

Application of Snow Oil & Gas, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an Order pooling all mineral interests from the surface to the base of the Bone Spring formation which includes but is not necessarily limited to the Esperanza-Delaware Pool, underlying the NW/4 SW/4 for all formations developed on 40-acre spacing in Section 28, Township 21 South, Range 27 East, NMPM. Applicant proposes to dedicate this pooled unit to a well to be drilled at a standard location in the NW/4 SW/4 (Unit L) of said Section 28 to test any and all formations to the base of the Bone Spring formation. Also to be considered will be the, designation of applicant as operator of the well. Said area is located approximately _____ miles _____ of ______, New Mexico.