

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

**IN THE MATTER OF THE APPLICATION  
OF TEXACO EXPLORATION AND  
PRODUCTION INC. FOR COMPULSORY  
POOLING LEA COUNTY, NEW MEXICO.**

CASE NO. 12312

**APPLICATION**

TEXACO EXPLORATION AND PRODUCTION INC. ("Texaco"), through its undersigned attorneys, hereby makes application pursuant to the provisions N.M.Stat.Ann. § 70-2-17, (1978), for an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 30, Township 16 South, Range 32 East, N.M.P.M., Lea County, New Mexico:

- A. the S/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within this vertical extent,
- B. the SW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within this vertical extent,
- C. The S/2 SW/4 to form a standard 80-acre spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing within this vertical extent, and

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**APPLICATION,**

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- D. The SW/4 SW/4 to form a standard 40-acre spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within this vertical extent

and in support of its application states:


1. Texaco is a working interest owner in the S/2 of said Section 30 and has the right to drill thereon.
2. Texaco proposes to dedicate the above-referenced spacing or proration units to its Texmack "30" State Com Well No. 1 to be drilled as a wildcat well at a standard location 990 feet from the South and West line (Unit M) of Section 30.
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 Texaco should be designated the operator of the well to be drilled.

WHEREFORE, Texaco Exploration and Production, Inc. requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 16, 1999 and, after notice and hearing as required by law, the Division enter its order:

- A. pooling all mineral interests in the subject spacing and proration units,
- B. designating Texaco Exploration and Production, Inc. operator of these units and the well to be drilled thereon,
- C. authorizing Texaco to recover its costs of drilling, equipping and completing the well,
- D. approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures, and
- E. imposing a 200% penalty for the risk assumed by the Texaco in drilling and completing the well against any working interest owner who does not voluntarily participate in the well.

Respectfully submitted,

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

By:   
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ATTORNEYS FOR TEXACO EXPLORATION  
AND PRODUCTION, INC.

EXHIBIT A

APPLICATION OF  
TEXACO EXPLORATION AND PRODUCTION INC.  
FOR COMPULSORY POOLING  
S/2 OF SECTION 30, TOWNSHIP 16 SOUTH, RANGE 32 EAST, N.M.P.M.  
LEA COUNTY, NEW MEXICO

Chase Oil Corporation  
P.O. Box 1767  
Artesia, NM 88211

Richard L. Chase  
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Artesia, NM 88211

OXY, USA, Inc.  
Attn: Mr. Kent Wooley  
P.O. Box 52520  
Midland, TX 79710-0250

Mrs. Doris Taylor  
P.O. Box 2427  
Roswell, NM 88202-2427

Norma Ruth Buchanan  
1608 Winton Circle  
Las Cruces, NM 88005-1986

Ruth Taylor Wright  
8401 Spain, NE, #29C  
Albuquerque, NM 87111

Phyllis Ellen Fenger  
4628 Ninth Street  
Carpinteria, CA 93013-1230

Jones Family Trust  
John C. Jones, III Trustee  
3575 Hidden Lane, SE  
Grand Rapids, MI 49546-2133

Philip Foster Gates  
P.O. Box 667  
Ridgeway, CO 81432-0667

Ella Belle Holeman Revocable Trust  
1303 West Avenue J  
Lovington, NM 88260-5029

Thelma H. Hamm  
7695 Turner Drive  
Denver, CO 80221-4231

Cecil E. Holeman Irrevocable Trust  
1303 West Avenue J  
Lovington, NM 88260-5029

Mack C. and Marilyn Y. Chase Trust  
P.O. Box 1767  
Artesia, NM 88211

Willowbrook Resources, Inc.  
P.O. Box 907  
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Robert C. Chase  
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Glenann Wilkerson Revocable Trust  
1573 E. 41st Place  
Tulsa, OK 74105-4005

Commissioner of Public Lands  
State of New Mexico  
310 Old Santa Fe Trail  
Santa Fe, NM 87501

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Tulsa, OK 74135

Cecil E. Holeman Family Trust  
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Gerene Crouch  
P.O. Box 1767  
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Bette Taylor  
6118 Edith Blvd., NE, #152  
Albuquerque, NM 87107-5066

CASE 123/2

Application of Texaco Exploration and Production Inc. for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Morrow formation, underlying the following described acreage in Section 30 Township 16 South, Range 32 East, in the following manner: (a) the S/2 to form a standard 320-acre spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing, (b) the SW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing, the S/2 SW/4 to form a standard 80-acre spacing and proration unit for any and all formations and/or pools developed on 80-acres spacing, and the SW/4 SW/4 to form a standard 40-acre spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing. These units are to be dedicated to a single well, the proposed Texmack "30" State Com Well No. 1 to be drilled as a wildcat well at a standard location in the SW/4 of Section 36. 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 well location is approximately 3 miles NW of Maljamar, New Mexico.