

JAMES BRUCE

ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

3304 CAMINO LISA
SANTA FE, NEW MEXICO 87501

(505) 982-2043
(505) 982-2151 (FAX)

OIL CONSERVATION DIV.
00 MAR 13 PM 2:21

March 13, 2000

17366


Hand Delivered

Florene Davidson
Oil Conservation Commission
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed are an original and two copies of an application for compulsory pooling, together with a proposed advertisement, filed on behalf of The Wiser Oil Company. Please set this case for the April 6, 2000 Examiner hearing. Thank you.

Very truly yours,


James Bruce
Attorney for The Wiser Oil Company

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

No. 12366
OIL CONSERVATION DIV.
MAR 13 PM 2:21

APPLICATION

The Wiser Oil Company applies for an order pooling all mineral interests from the surface to the base of the Grayburg-San Andres formation underlying the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 33, Township 16 South, Range 32 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

1. Applicant is a working interest owner in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 33, and has the right to drill a well thereon.

2. Applicant proposes to drill its Caswell Well No. 1, at an orthodox location 660 feet from the south line and 560 feet from the west line of Section 33, and seeks to dedicate the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 33 to the well for all pools or formations developed on 40-acre spacing, including the Undesignated Grayburg-Jackson Pool.

3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 33 for the purposes set forth herein.

4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 33, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests underlying the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 33 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interests in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 33, from the surface to the base of the Grayburg-San Andres formation;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling and completing the well, and allocating the cost thereof among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting said rates as provided in the COPAS accounting procedure; and
- E. Setting a penalty for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

A handwritten signature in cursive script that reads "James Bruce". The signature is written in dark ink and is positioned above a horizontal line.

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for The Wiser Oil Company

OL CONSERVATION DIV.
MAR 13 PM 2:21
PROPOSED ADVERTISEMENT

Case 12366:

Application of The Wiser Oil Company for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Grayburg-San Andres formation underlying the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 33, Township 16 South, Range 32 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any formations and/or pools developed on 40 acre spacing within that vertical extent, including the Undesignated Grayburg-Jackson Pool. The unit is to be dedicated to applicant's Caswell Well No. 1, to be located 660 feet from the south line and 560 feet from the west line (Unit M) of Section 33. Also to be considered will be the cost of drilling and completing the 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 the risk involved in drilling and completing the well. The unit is located approximately 1 $\frac{1}{2}$ miles northwest of Maljamar, New Mexico.