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APR 10 2001

CONSERVATION DIVISION

April 6, 2001

Ms. Lori Wrotenbery  
Oil Conservation Division  
1220 S. St. Francis  
Santa Fe, NM 87505

*Case 12655*

Re: Application of C.W. Trainer For Compulsory  
Pooling, Red Tank No. 2

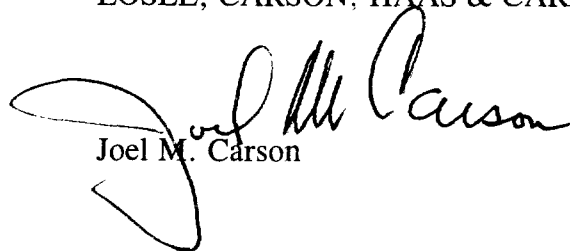
Dear Ms. Wrotenbery:

Enclosed for filing, please find three copies of the Application and Motion of C.W. Trainer for Compulsory Pooling for its Red Tank No. 2 Well in Lea County, New Mexico.

We ask that this case be consolidated with the application of POGO Producing Company in Case No. 12628 and set for hearing on April 17, 2001, and that we be furnished with a copy of the docket for said hearing.

Yours very truly,

LOSEE, CARSON, HAAS & CARROLL, P. A.

  
Joel M. Carson

JMC:hp  
Enclosures

cc: Mr. Jim Bruce  
Mr. Bill Car  
Mr. C.W. Trainer

**BEFORE THE OIL CONSERVATION DIVISION  
OF THE STATE OF NEW MEXICO**

<b>IN THE MATTER OF THE APPLICATION OF :</b>	
<b>C.W. TRAINER FOR COMPULSORY :</b>	<b>CASE NO. <u>12655</u></b>
<b>POOLING, LEA COUNTY, NEW MEXICO :</b>	
<b>_____ :</b>	

**APPLICATION AND MOTION**

COMES NOW **C.W. Trainer**, by his attorneys, and in support hereof respectfully states:

1. Applicant has the right to drill his Red Tank No 2 Well to the Morrow formation as a gas well, which is to be located at a point 1980 feet from the South line and 1220 feet from the West line of Section 24, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

2. The applicant has dedicated the S/2 of said section to this well, and there are interest owners in the proration unit who have not agreed to pool their interests.

3. Applicant should be designated the operator of the well and the proration unit.

4. To avoid the drilling of unnecessary wells, to protect correlative rights and to afford to the owner of each interest in said unit the opportunity to recover or receive without unnecessary expense his just and fair share of the oil in said unit, all

mineral interests, whatever they may be, from the surface down through and including the Morrow formation underlying the S/2 of said Section 24, should be pooled.

5. That any non-consenting working interest owner who does not pay his share of estimated well costs should have withheld from production his share of the reasonable well costs, plus an additional 200% thereof, as a reasonable charge for the risk involved in the drilling of the well.

6. Applicant should be authorized to withhold from production the proportionate share of a reasonable supervision charge for drilling and producing wells attributable to each non-consenting working interest owner.

7. EOG has drilled its Red Tank 24 Federal No. 1 in the NE/4 NW/4 of said Section 24, and dedicated the N/2 of said Section 24 to said well. This well is producing at rates approximating at 1 BCF per month and upon information and belief Applicant states that said well is draining and has drained a substantial portion of the S/2 of said Section 24, where EOG owns a smaller interest than in the N/2 of said Section.

WHEREFORE, applicant prays in the alternative as follows:

A. (1) That the Commission consolidate this application and hearing thereon with the application of POGO Producing Company in Case No. 12628 and be heard on April 17, 2001 or in the alternative (2) That this application be set for hearing before an examiner and that notice of said hearing be given as required by law.

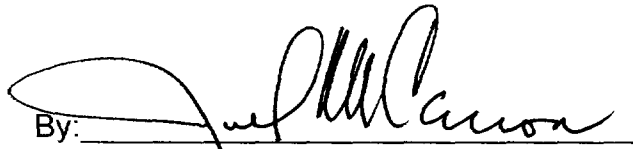
B. That upon hearing the Division enter its order pooling all mineral interests, whatever they may be, from the surface down through and including the Morrow formation underlying the S/2 of said Section 24, Township 22 South, Range 32

East, N.M.P.M., Lea County, New Mexico, to form a 320-acre spacing unit dedicated to applicant's well.

C. That the force pooled well be commenced on or before May 15, 2001 to further reduce drainage in the Morrow formation in the S/2 of said Section 24.

D. And for such other relief as may be just in the premises.

**C.W. Trainer**

By:   
Joel M. Carson

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