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LEWIS C. COX, JR.

April 4, 1960

New Mexico Oil Conservation Commission Box 871

Santa Fe, New Mexico

Permian Oil Company Re: Application for Order Force Pooling all Mineral Interests in the $E_2^{\frac{1}{2}}$ of Section 5, Township 30 North, Range 13 West, N.M.P.M., San Juan County New Mexico, containing 320.24 acres, more or less for the Production of Dry Gas and Associated Liquid Hydrocarbons Producible from the Dakota Formation

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

Application is hereby made by Permian Oil Company, whose address is 611 West Texas Street, Midland, Texas, for an Order, after due notice and hearing, force pooling all mineral interests in the E½ of Section 5, Township 30 North, Range 13 West, N.M.P.M., San Juan County, New Mexico, containing 320.24 acres, more or less for the production of gas and associated liquid hydrocarbons producible from the Dakota Formation underlying said lands.

On November 1, 1959, approved by the Director of United States Geological Survey February 15, 1960, and bearing Contract No. 14-08-001-6722, substantially all of said mineral owners entered into a Communitization Agreement relative to such pooling as to said lands and Formation; an executed counterpart of such Communitization Agreement is attached hereto.

Said Communitization Agreement has been executed, ratified or consented to by all persons owning a mineral interest under said lands except:

Raymond H. Walker and Edith Walker, his wife, whose last known address is 1250 South Figuerosa Street, Los Angeles, California, and,

whose residence and whereabouts are unknown. (b) Norman Roybark and Rose Ella/Roybark, his wife,

Should be Figueroa

The above named non-consenting owners own a non-participating royalty interest, equalling $17\frac{1}{2}\%$ of all production, in the $S\frac{1}{2}NE\frac{1}{4}$, $N\frac{1}{2}SE\frac{1}{4}$, $SW\frac{1}{4}SE\frac{1}{4}$ of said Section 5 (described as Tract No. 1 in the Communitization Agreement).

The Applicant is designated as Operator of said lands under the terms of said Communitization Agreement, and that Operator has made a diligent effort to communitize all interests in the above described lands for the production of gas and associated liquid hydrocarbons producible from the Dakota Formation thereunder, but that Operator has been unable to obtain the consent of all persons owning an interest in said lands.

A copy of this Application has this date been mailed, by United States Mail, postage prepaid, registered return receipt requested, to Raymond H. Walker and Edith Walker, his wife, at 1250 South Figuerosa Street, Los Angeles, California, due proof of which will be made at the hearing on this Application. Applicant has made a diligent search and inquiry and has been unable to learn the residence or whereabouts of Normay Roybark and Rose Ella Roybark, his wife.

That the most efficient and orderly development of the above lands can be accomplished by force pooling all mineral interests in said lands for the production of dry gas and associated liquid hydrocarbons producible from the Dakota Formation thereunder, and that the interests of all persons having the right to drill for, produce or share in the production of dry gas and associated liquid hydrocarbons, or either of them, from the said Dakota Formation underlying the $E_2^{\frac{1}{2}}$ of Section 5, Township 30 North, Range 13 West, N.M.P.M., San Juan County, New Mexico, should be pooled, and that Permian Oil Company should be designated as Operator of said pooled unit until further order of the Commission with authority to drill a unit well thereon. Applicant proposes to drill a well, located 925 feet from the North line and 920 feet from the East line of said Section 5, in search of gas or associated liquid hydrocarbons, which well is to be drilled to the Dakota Formation. In the event such well results in a producer of dry gas or associated liquid hydrocarbons from said Formation, then Applicant states that it is just, equitable and in the interest of conservation and the protection of correlative rights of all interested parties that this Commission further enter its order providing that production from the above described pooled unit be allocated to each Tract in the unit in the same proportion that the acreage in said Tract bears to the total acreage in the unit.

Applicant respectfully requests that this matter be set for an Examiner Hearing at Santa Fe, New Mexico, at the earliest opportunity.

Respectfully yours,

PERMIAN OIL COMPANY

SBC:ke

Permian Oil Company

Mr. and Mrs. Raymond H. Walker

(Registered Mail)

By_

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S.B. Christy, IV, for Hervey, Dow & Hinkle

Box 547

Roswell, New Mexico