BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO TO THE 9 40

IN RE: APPLICATION OF REDFERN AND HERD, INC. FOR AN ORDER TO POOL THE PRODUCTION FROM THE DAKOTA FORMATION UNDERLYING THE WEST HALF (W½) OF SECTION TWENTY-NINE (29), TOWNSHIP TWENTY-NINE NORTH (29N), RANGE ELEVEN WEST (11W), N.M.P.M., SAN JUAN COUNTY, NEW MEXICO.

Case No. 2/30

APPLICATION FOR POOLING ORDER

Comes now the applicant and states:

1. That Redfern and Herd, Inc. is the operator of the acreage underlying the captioned tract for the purpose of drilling and producing a well from the Dakota formation underlying the following described tract of land in San Juan County, New Mexico, to-wit:

The West Half (W½) of Section Twenty-nine (29), Township Twenty-nine North (29N), Range Eleven West (11W), N.M.P.M., San Juan County, New Mexico.

- 2. That all of the above described tract of land is under oil and gas lease and that all of the owners of said oil and gas leases have appointed the applicant herein as their operator for the purpose of drilling and operating a Dakota well in the Southwest Quarter (SW4) of the above described Section 29.
- 3. That applicant desires to form a 320 acre drilling and spacing unit for production from the Dakota formation underlying the above described tract of land and to pool all production therefrom; that all owners of oil and gas leases within the said 320 acre tract have agreed to the formation of such unit and the pooling of Dakota production therefrom; that all owners of

royalties or overriding royalties have agreed to the formation of such unit and pooling of such production except:

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who is the lessor of an oil and gas lease, a portion of which falls within such unit and who has refused to join the same.

- 4. That applicant is entitled to an Order of this Commission pooling the above described 320 acre tract for production of oil and/or gas from the Dakota sand formation and producing interval underlying the same, and providing that the well for such unit will be drilled and operated by the applicant herein; that such Order should provide that such well be granted a full 320 acre allowable, and that all production from such well should be apportioned to the various owners of leases and royalties under the 320 acre unit on a pro rata basis in accord with the proportion that the surface area under each such lease or royalty interest bears to the entire 320 acre unit.
- 5. That the granting of the relief herein prayed for will prevent waste and protect correlative rights, and that a refusal of such relief would create waste and interfere with the correlative rights of lease owners underlying said unit.

WHEREFORE, applicant prays that this application be set down for hearing before an Examiner; that due notice of such hearing be given to all interested parties in accord with the laws of the State of New Mexico and the rules and regulations of this Commission, and that from the evidence to be adduced at such hearing, this Commission enter an Order pooling the production from

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the Dakota formation and producing interval underlying the above described 320 acre unit, making the applicant operator thereof and providing for pro rata allocation of production.

REDFERN AND HERD, INC.

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Attorney for Redfern and Herd, Inc.