

BEFORE THE  
OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION  
OF ANSON GAS CORPORATION FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

CASE NO. 11023

APPLICATION

ANSON GAS CORPORATION, through its undersigned attorneys, hereby makes application pursuant to the provisions of N.M.Stat.Ann. § 70-2-17, (1978), for an order pooling all mineral interests in the SE/4 NW/4 of Section 33, Township 16 South, Range 38 East, N.M.P.M., Lea County, New Mexico, and in support thereof states:

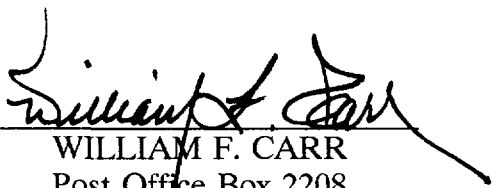
1. Applicant owns or represents approximately 71% of the working interest in the SE/4 NW/4 of Section 33, and Applicant has the right to drill thereon. ✓
2. Applicant proposes to dedicate the above-referenced spacing or proration unit to its Mary 33 Well No. 1 to be drilled at a standard oil well location in the SE/4 NW/4 of said Section 33, to a depth of approximately 11,800 feet, more or less, to test any and all formations from the surface to the base of the Strawn formation.
3. Applicant has sought and been unable to obtain either voluntary agreement for pooling or farmout from certain interest owners in the SE/4 NW/4 of said Section 33.
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 Applicant should be designated the operator of the well to be drilled.

WHEREFORE, Applicant prays that this application be set for hearing before an Examiner of the Oil Conservation Division on July 21, 1994 and, after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions for Applicant to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling and after completion, including overhead charges, and imposing a risk factor for the risk assumed by the Applicant in drilling, completing and equipping the well.

Respectfully submitted,

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

By:   
WILLIAM F. CARR  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
Telephone: (505) 988-4421

ATTORNEYS FOR ANSON GAS  
CORPORATION

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



IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

APPLICATION OF ANSON GAS CORPORATION  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

No. 11023

**PRE-HEARING STATEMENT**

This Prehearing Statement is submitted by Campbell, Carr, Berge & Sheridan, P.A.,  
as required by the Oil Conservation Division.

**APPEARANCES OF PARTIES**

**APPLICANT**

AnSon Gas Corporation  
c/o Charles E. Lundeen  
3814 North Santa Fe  
Oklahoma City, OK  
(405) 528-0505

name, address, phone and  
contact person

**ATTORNEY**

William F. Carr, Esq.  
Campbell, Carr, Berge & Sheridan, P.A.  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
(505) 988-4421

**OTHER PARTY**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

name, address, phone and  
contact person

**ATTORNEY**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATEMENT OF CASE**

**APPLICANT**

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

AnSon Gas Corporation, applicant in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Strawn formation, underlying the SE/4 NW/4 (Unit F) of Section 33, Township 16 South, Range 38 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre oil spacing within said vertical extent. Said unit is to be dedicated to the proposed Mary "33" Well No. 1 to be drilled at a standard oil well location thereon. 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 the operator of the well and a charge for risk involved in drilling and completing said well.

**OTHER PARTY**

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

**PROPOSED EVIDENCE**

**APPLICANT**

<b>WITNESSES</b> (Name and expertise)	<b>EST. TIME</b>	<b>EXHIBITS</b>
Charles E. Lundeen, Landman	15 Min.	Approximately 8
Hal E. Hawthorne, Geologist	10 Min.	Approximately 4

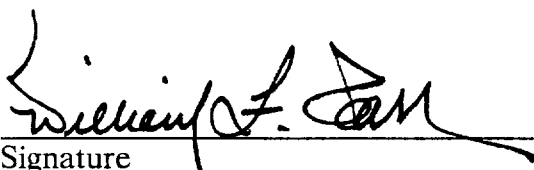
**OTHER PARTY**

<b>WITNESSES</b> (Name and expertise)	<b>EST. TIME</b>	<b>EXHIBITS</b>
--	------------------	-----------------

**PROCEDURAL MATTERS**

(Please identify any procedural matters which need to be resolved prior to hearing)

AnSon Gas Corporation will request that Cases 11023, 11024, 11025 and 11026 be consolidated for purposes of hearing.

  
Signature



BILL CLEMENT  
PARTNER

JEFF SMITH  
PARTNER

July 18, 1994

New Mexico Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87501

Re: Compulsory Pooling Hearings  
NE/4 SW/4, NW/4 SE/4  
Section 33-16S-38E and  
NW/4NE/4 Section  
8-17S-38E, all three (3) in  
Lea County, New Mexico

Gentlemen:

Our Company recently received three (3) separate Applications for Compulsory Pooling on each of the three (3) tracts cited above. In that no Case Numbers are noted on the Applications, copies of each of those Applications is enclosed for your ready reference. You will note that the hearings are scheduled for **July 21, 1994**.

Our leasehold interest is but one-fourth (1/4th) of an acre under each tract, but it seems unfair to us to be forced to make an election on all three (3) proposed wells at the same time. It would appear that the Applicant is seeking to gain an unfair advantage by filing this Compulsory Pooling Application so as to coerce us to make an untimely election. Because our interest is so small we cannot justify the expense of a trip to Santa Fe nor the retaining of a New Mexico attorney.

Further, we are not even sure that they intend to drill all three (3) of the wells. And, in their zeal to compel premature elections from us they have formally proposed a fourth location to be drilled in the SE/4NW/4 of Section 33-16S-38E; no doubt an Application for Compulsory Pooling will soon be made on that location as well.

Accordingly, Smith-Clement Exploration, Inc. respectfully requests that the Division Examiner not compel us to make all these elections at the same time. Neither protection of correlative rights nor prevention of waste will be accomplished by their attempt to coerce premature elections out of us. We respectfully request that either (a) two of the hearings be continued until after the first well is down, or (b) deferred elections be granted pending the testing and completion of the first well to be drilled.

Thank you in advance for your consideration of our request.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Smith', with a long horizontal flourish extending to the right.

Jeff Smith

Encl.