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STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIV.  
SANTA FE

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF  
ORYX ENERGY COMPANY FOR  
COMPULSORY POOLING  
LEA COUNTY, NEW MEXICO

CASE NO. 9953

A P P L I C A T I O N

COMES NOW, ORYX ENERGY COMPANY, by and through its attorneys, Kellahin, Kellahin & Aubrey, and in accordance with Section 70-2-17(c) NMSA (1978) applies to the New Mexico Oil Conservation Division for an order pooling all mineral interest underlying the following described acreage in Section 24, T17S, R35E, Lea County, New Mexico in the following described manner:

1. W/2 to form a 320 acre, more or less, gas spacing and proration unit for any and all formations and/or pools within said vertical limits below the top of the Wolfcamp developed on 320 acre gas well spacing including, but not limited to, the South Shoe Bar Atoka Gas Pool and an Undesignated Morrow Gas Pool.

2. NW/4 to form a 160 acre, more or less, gas spacing and proration unit for any and all formations and or pools within said vertical limits above the top of the Wolfcamp developed on 160 acre gas well spacing, and

3. SE/4NW/4 to form a 40 acre, more or less, oil spacing and proration unit for any and all formations and or pools spaced on 40 acre oil spacing including, but not limited to, the Vacuum Abo Reef Pool and the Vacuum Greyburg-San Andres Pool.

4. Applicant has sought a voluntary agreement with all those parties shown on Exhibit "A" for the formation of appropriate spacing and proration unit for the drilling of the subject well, but has been unable to obtain a voluntary agreement.

5. Pursuant to the Division notice requirements, Applicant has notified all those parties shown on Exhibit "A" of this Application for compulsory pooling and the Applicant's request for a hearing before the Division to be set on May 30, 1990.

6. In order to obtain its just and equitable share of the potential production underlying the above tract, Applicant needs an order pooling the mineral interest of those parties shown on Exhibit "A" as not having voluntarily committed their interest in order to protect Applicant's correlative rights and prevent waste.

WHEREFORE, Applicant prays that this Application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order approving the pooling of the mineral interest described herein. Applicant further

prays that it be named operator of the well, and that the order make provisions for Applicant to recover out of production its costs of drilling, completing and equipping the subject well, costs of operation, including costs of supervision, and a risk factor in the amount of 200% for the drilling and completing of the well, for such other and further relief as may be proper.

Respectfully submitted,

KELLAHIN, KELLAHIN & AUBREY

By: 

W. Thomas Kellahin

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EXHIBIT "A"

Pacific Enterprises, Inc.  
10 Desta Drive, Suite 500-West  
Midland, Texas 79705  
Attn: Mr. John Lodge

Read & Stevens  
P.O. Box 1518  
Roswell, New Mexico 88201