MILLER, STRATVERT, TORGERSON & SCHLENKER, P. A.

LAW OFFICES

RANNE B. MILLER
WILLIAM K. STRATVERT
ALAN C. TORGERSON
KENDALL O. SCHLENKER
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
MARGO J. MCCORMICK
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHEN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
MICHAEL H. HOSES
JAMES B. COLLINS
TIMOTHY R. BRIGGS
WALTER R. PARR
THOMAS S. UDALL
RUDOLPH LUCERO
DANIEL E. RAMCZYK
DEAN G. CONSTANTINE

DEBORAH A. SOLOVE GARY L. GORDON H. KEVIN HAIGHT LAWRENCE R. WHITE SHARON P. GROSS VIRGINIA ANDERMAN C. K. MOSS JAMES B. COONEY LEONARD J. PADILLA TIMOTHY S. VASQUEZ MARTE D. LIGHTSTONE NICHOLAS CULLANDER J. SCOTT HALL THOMAS R. MACH MICHAEL J. HAPPE DENISE BARELA SHEPHERD MICK I. R. GUTIERREZ NANCY AUGUSTUS

ALBUQUERQUE

500 MARQUETTE, N. W., SUITE 1100 POST OFFICE BOX 25687 ALBUQUERQUE, NM 87125 TELEPHONE: (505) 842-1950 FACSIMILE: (505) 243-4408 LAS CRUCES

277 EAST AMADOR POST OFFICE BOX 1231 LAS CRUCES, NM 88004 TELEPHONE: (505) 523-2481 FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON POST OFFICE BOX 869 FARMINGTON, NM 87499 TELEPHONE: (505) 326-4521 FACSIMILE: (505) 325-5474 SANTA FE

125 LINCOLN AVE., SUITE 303 POST OFFICE BOX 1986 SANTA FE, NM 87504-1986 TELEPHONE: (505) 989-9614 FACSIMILE: (505) 989-9857

KENNETH R. BRANDT (1946 - 1981)

July 12, 1990

PLEASE REPLY RESERVED

Jul 1 2 1990

Mr. William J. LeMay, Director New Mexico Oil Conservation Division Post Office Box 2008 Santa Fe, New Mexico 87504

OIL CONSERVATION DIVISION

RE: Application of D. J. Simmons Company for Compulsory Pooling, San Juan County, New Mexico, (Heard Com 20 #1)

Dear Mr. LeMay:

Enclosed is the Application of D. J. Simmons Company for Compulsory Pooling for a Fruitland well to be drilled at a standard location in the E/2 of Section 20 T-28 N, R-10 W, NMPM, San Juan County, New Mexico.

On behalf of the Applicant, D. J. Simmons Company, we ask that this matter be set for examiner hearing on August 8, 1990.

Very truly yours,

MILLER, STRATVERT, TORGERSON & SCHLENKER, P.A.

J Scott Hall

cc: Rod Pinkett

D. J. Simmons Company

BEFORE THE

OIL CONSERVATION DIVISION

RECEIVED

ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT 1 9 1990

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF D. J. SIMMONS COMPANY FOR COMPULSORY POOLING, SAN JUAN COUNTY, NEW MEXICO.

case no. 10044

APPLICATION

- D. J. SIMMONS COMPANY by its undersigned attorneys, Miller, Stratvert, Torgerson & Schlenker, P.A., hereby makes application pursuant to section 70-2-17, N.M.S.A. (1978) for an order pooling all of the mineral interests in the Fruitland formation for development on 320-acre spacing in and under the E/2 of Section 20, Township 28 North, Range 10 West, N.M.P.M., San Juan County, New Mexico, and in support thereof would show the Division:
- 1. Applicant owns a certain amount of the working interest in and under the E/2 of Section 20, and Applicant has the right to drill thereon.
- 2. Applicant proposes to dedicate the above-referenced pooled unit to its Heard Com 20 #1 well to be located at a standard location in the NE/4 of said Section 20.
- 3. Applicant has been unable to obtain voluntary agreement for pooling or farmout from all other interest owners in the E/2 of said Section 20.
- 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, the 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 a duly appointed examiner of the Oil Conservation Division on August 8, 1990, and that 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, and making such other and further provisions as may be proper in the premises.

MILLER, STRATVERT, TORGERSON & SCHLENKER, P.A.

J. Scott Hall

Suite 303

125 Lincoln Avenue

Santa Fe, New Mexico 87501 Telephone: (505) 989-9614

ATTORNEYS FOR D. J. SIMMONS COMPANY