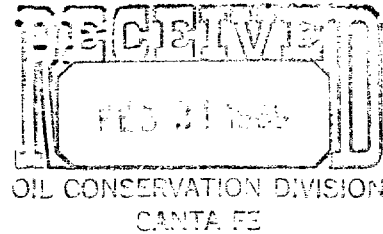


February 19, 1985



Energy and Minerals Department  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

*Case 8509*

Re: Delta Fee "B" No. 1 Well  
Township 22 South, Range 27 East, NMPM  
Section 14: E/2  
Eddy County, New Mexico

Gentlemen:

Enclosed for filing, please find three copies of the Application of TXO Production Corp. for Compulsory Pooling and an Unorthodox Location, Eddy County, New Mexico. Also enclosed is an Affidavit of Mailing reflecting the mailing of a true copy of the Application to Union Oil Company of California.

We ask that this matter be set for hearing at the Examiner Hearing of March 13, 1985, and that we be furnished with a docket of said hearing.

Thank you.

Sincerely yours,

DICKERSON, FISK & VANDIVER

A handwritten signature in cursive script, appearing to read "Chad Dickerson".

Chad Dickerson

CD:pvm  
Enclosures

cc w/enclosures: Mr. David Hundley

BEFORE THE OIL CONSERVATION DIVISION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :  
TXO PRODUCTION CORP. FOR COMPULSORY :  
POOLING AND AN UNORTHODOX LOCATION, :  
EDDY COUNTY, NEW MEXICO :  
\_\_\_\_\_ :

CASE NO. 8509

APPLICATION

COMES NOW TXO Production Corp., by its attorneys, and  
in support hereof, respectfully states:

1. Applicant is the operator of NE/4, E/2 SE/4 in  
the Wolfcamp formation through the base of the Strawn formation,  
underlying:

Township 22 South, Range 27 East, N.M.P.M.

Section 14: E/2

containing 320 acres, more or less,  
and proposes to drill its Delta Fee "B" No. 1 Well at a point  
located 1,980 feet from the east line and 990 feet from the north  
line of said Section 14, to a depth sufficient to test the Strawn  
formation, at approximately 10,700 feet.

2. The applicant seeks an exception to the well loca-  
tion requirements of Rule 104 of the Oil Conservation Division to  
permit the drilling of the well at the above mentioned unorthodox  
location to a depth sufficient to adequately test all formations  
from the Wolfcamp through the base of the Strawn formation.

3. A standard 320-acre gas proration unit comprising the E/2 of said Section 14 should be dedicated to such well or to such lesser portion thereof as is reasonably shown to be productive of gas.

4. Union Oil Company of California, P. O. Box 3100, Midland, Texas, 79701, owns an interest in the W/2 SE/4 of said Section 14, and has not agreed to pool its interest.

5. Applicant should be designated the operator of the well and the proration units.

6. To avoid the drilling of unnecessary wells, to protect correlative rights and to afford to the owner of each interest in said units the opportunity to recover or receive without unnecessary expense, his just and fair share of the oil and gas in said unit, all mineral interests, whatever they may be, from the Wolfcamp formation through the base of the Strawn formation underlying E/2 Section 14 should be pooled as to such oil or gas proration units as may be established as productive.

7. That any non-consenting working interest owner that does not pay his share of estimated well costs should have withheld from production his share of the reasonable well costs, plus an additional 200% thereof as a reasonable charge for the risk involved in the drilling of the well.

8. Applicant should be authorized to withhold from production the proportionate share of a reasonable supervision

D. And for such other and further relief as may be  
just in the premises.

TXO PRODUCTION CORP.

By:   
Chad Dickerson

DICKERSON, FISK & VANDIVER  
Seventh and Mahone, Suite E  
Artesia, New Mexico 88210  
(505) 746-9841

Attorneys for Applicant

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TXO PRODUCTION CORP. FOR COMPULSORY :  
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WHEREFORE, applicant prays:

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B. That upon hearing the Division enter its order pooling all mineral interests, whatever they may be, from the Wolfcamp formation through the base of the Strawn formation, underlying the E/2 Section 14, Township 22 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, or such lesser portion as may be productive of oil and gas and dedicated to applicant's well.

C. That upon hearing the Division enter its order granting applicant permission to drill its Delta Fee "B" No. 1 Well at a point 1,980 feet from the east line and 990 feet from the north line of said Section 14, and to dedicate the E/2 of said Section 14 to said well.

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just in the premises.

TXO PRODUCTION CORP.

By:   
Chad Dickerson

DICKERSON, FISK & VANDIVER  
Seventh and Mahone, Suite E  
Artesia, New Mexico 88210  
(505) 746-9841

Attorneys for Applicant



BEFORE THE OIL CONSERVATION DIVISION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :  
TXO PRODUCTION CORP. FOR COMPULSORY :  
POOLING AND AN UNORTHODOX LOCATION, :  
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D. And for such other and further relief as may be  
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POOLING AND AN UNORTHODOX LOCATION, :  
EDDY COUNTY, NEW MEXICO :

CASE NO. 8509

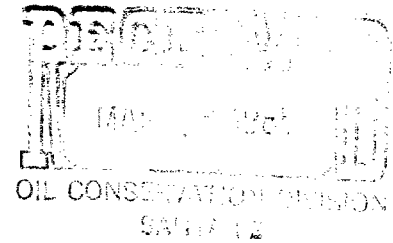
STATE OF NEW MEXICO )  
COUNTY OF EDDY ) ss.

Patti Menefee  
Patti Menefee

My commission expires: 11-3-88

Patricia Ferguson  
Notary Public

March 14, 1985



Energy and Minerals Department  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

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Township 22 South, Range 27 East, NMPM  
Section 14: E/2  
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*Case 8509*

Gentlemen:

Enclosed for filing, please find three copies of the Amended Application of TXO Production Corp. for Compulsory Pooling and an Unorthodox Location, Eddy County, New Mexico. Also enclosed is an Affidavit of Mailing reflecting the mailing of true copies of the Amended Application to Union Oil Company of California and Monsanto Oil Corporation.

We ask that this matter be set for hearing at the Examiner Hearing of March 27, 1985, and that we be furnished with a docket of said hearing.

Thank you.

Sincerely yours,

DICKERSON, FISK & VANDIVER

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Chad Dickerson

CD:pvm  
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BEFORE THE OIL CONSERVATION DIVISION  
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IN THE MATTER OF THE APPLICATION OF :  
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POOLING AND AN UNORTHODOX LOCATION, :  
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Township 22 South, Range 27 East, N.M.P.M.

Section 14: E/2

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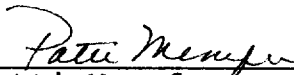
AFFIDAVIT OF MAILING

STATE OF NEW MEXICO )  
: ss.  
COUNTY OF EDDY )

The undersigned, being first duly sworn, upon oath, states that on the 14 day of March, 1985, the undersigned did mail in the United States Post Office at Artesia, New Mexico, a true copy of the Application of TXO Production Corp. for Compulsory Pooling and an Unorthodox Location, in securely sealed postage prepaid envelope, addressed to the following parties:

Union Oil Company of California  
P. O. Box 3100  
Midland, Texas 79701

Monsanto Oil Corporation  
1300 First City Center  
500 West Texas  
Midland, Texas 79701

  
\_\_\_\_\_  
Patti Menefee

SUBSCRIBED AND SWORN TO before me this 14 day of  
March, 1985.

My commission expires:  
11-3-88

Patricia Ferguson  
Notary Public