CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL BRUCE D. BLACK MICHAEL B. CAMPBELL WILLIAM F. CARR BRADFORD C. BERGE J. SCOTT HALL PETER N. IVES LOURDES A. MARTINEZ Juntan Marries

JEFFERSON PLACE SUITE I - 110 NORTH GUADALUPE POST OFFICE BOX 2208

SANTA FE, NEW MEXICO 87501

TELEPHONE: (505) 988-4421 TELECOPIER: (505) 983-6043

June 7, 1985

RECEIVED

JUN 7 1985

OIL CONSERVATION DIVISION

4

Case 8637

HAND DELIVERED

Mr. R. L. Stamets, Director Oil Conservation Division New Mexico Department of Energy and Minerals Post Office Box 2088 Santa Fe, New Mexico 87501

Application of Southland Royalty Company for Compulsory Pooling, Rio Arriba County, New Mexico

Dear Mr. Stamets:

Enclosed in triplicate is the Application of Southland Royalty Company in the above-referenced case. Southland requests that this matter be set for hearing before a Division Examiner on July 2, 1985.

Your attention to this request is appreciated.

William F. Carr

WFC/ba Enclosure

cc: Terry Hobb

Southland Royalty Company

John F. Zent

Southland Royalty Company

Mountain States Natural Gas Corp.

c/o W. Thomas Kellahin

BEFORE THE

OIL CONSERVATION DIVISION

ACCENTED.

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

S JUN 7 1865
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF SOUTHLAND ROYALTY COMPANY FOR COMPULSORY POOLING, RIO ARRIBA COUNTY, NEW MEXICO.

Case \$637

APPLICATION

Comes now, SOUTHLAND ROYALTY COMPANY, by and through its undersigned attorneys and, as provided by Section 70-2-17, N.M.S.A. 1978, hereby makes application for an order pooling all of the mineral interests from the top of the Mancos to the base of the Dakota formation, in and under the N/2 of Section 25, Township 25 North, Range 2 West, N.M.P.M., Rio Arriba County, New Mexico, and in support thereof would show the Division:

- 1. Applicant owns or represents approximately 50% of the working interest in and under the N/2 of Section 25, and applicant has the right to drill thereon.
- 2. Applicant proposes to dedicate the above-referrenced pooled unit to a well to be drilled at an orthodox location 1,710 feet from the North line and 1,710 feet from the East line of said Section 25.
- 3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other interest owners in the N/2 of said Section 25, except for Mountain States Natural Gas Corporation, Albert J. Blair, President, Post Office Box 35426, Tulsa, Oklahoma 74135, owner of a 6.259% working interest.

Said pooling of interests and well completion will avoid 4. the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

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 June 19, 1985, 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, approving the location of the well as proposed by applicant, and making such other and further provisions as may be proper in the premises.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

William F. Post Office Box 2208

Santa Fe, New Mexico 87501

(505) 988-4421

ATTORNEYS FOR SOUTHLAND ROYALTY COMPANY

Called in by Bell Carr 6/4/85 July 2, 1985
From
FLORENE DAVIDSON Staff Specialist Southland Royalty Company Compulsory Pooling Top of Mancos to base of Llakota N/2 25-T25N-R2W Rio arriba County

Oil Conservation Santa Fe, New Mexico

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
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June 13, 1985

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JUN 13 1985

OIL CONSERVATION DIVISION

Mr. R. L. Stamets, Director Oil Conservation Division New Mexico Department of Energy and Minerals Post Office Box 2088 Santa Fe, New Mexico 87501

Case 8637

Re: Application of Southland Royalty Company for Compulsory Pooling, Rio Arriba County, New Mexico

Dear Mr. Stamets:

Enclosed in triplicate is the Amended Application of Southland Royalty Company in the above-referenced case.

Your attention to this request is appreciated.

Very truly yours

William F. Carr

WFC/ba Enclosure

cc: Terry Hobb

Southland Royalty Company

BEFORE THE

OIL CONSERVATION DIVISION

RECEIVED

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS JUN 13 1985

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF SOUTHLAND ROYALTY COMPANY FOR COMPULSORY POOLING, RIO ARRIBA COUNTY, NEW MEXICO.

Case 8637

AMENDED APPLICATION

Comes now, SOUTHLAND ROYALTY COMPANY, by and through its undersigned attorneys and, as provided by Section 70-2-17, N.M.S.A. 1978, hereby makes application for an order pooling all of the mineral interests from the top of the Mancos to the base of the Dakota formation, in and under the N/2 of Section 25, Township 25 North, Range 2 West, N.M.P.M., Rio Arriba County, New Mexico, and in support thereof would show the Division:

- 1. Applicant owns or represents approximately 50% of the working interest in and under the N/2 of Section 25, and applicant has the right to drill thereon.
- 2. Applicant proposes to dedicate the above-referrenced pooled unit to a well to be drilled at an orthodox location 1,710 feet from the North line and 1,710 feet from the East line of said Section 25.
- 3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other interest owners in the N/2 of said Section 25, except for Mountain States Natural Gas Corporation, Albert J. Blair, President, Post Office Box 35426, Tulsa, Oklahoma 74135, owner of a 6.259% working interest and Ralph Gilliland, Post Office Box 2708, San Antonio, Texas 78299, owner of a .03125% working interest.

4. Said pooling of interests and well completion 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 July 2, 1985, 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, approving the location of the well as proposed by applicant, and making such other and further provisions as may be proper in the premises.

Respectfully submitted,

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William F. Carr

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Santa Fe, New Mexico 87501

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ATTORNEYS FOR SOUTHLAND ROYALTY COMPANY