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BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION OCT : 9 1985

APPLICATION OF SUN EXPLORATION
AND PRODUCTION COMPANY FOR
COMPULSORY POOLING, A NON-STANDARD
UNIT, AND DUAL COMPLETION,
LEA COUNTY, NEW MEXICO

OIL CONSERVATION DIVISION

No. 8748

AMENDED APPLICATION

Sun Exploration and Production Company hereby makes application for an order approving compulsory pooling, a non-standard unit, and a dual completion, and in support thereof states:

- 1. Applicant is a working interest owner in the SE¼ of Section 25 and the NE¼NE¼ of Section 36, Township 24 South, Range 36 East, N.M.P.M., Lea County, New Mexico.
- 2. Applicant proposes to drill a well in the NW\(\frac{1}{2}\)Section 25, at a standard location 1980 feet from the South line and 1980 feet from the East line, to test the Jalmat and Langlie-Mattix pools.
- 3. Doyle Hartman has filed an application for compulsory pooling, a non-standard unit, and an unorthodox well location, designated Case No. 8722, involving the above described property.
- 4. Applicant requests approval of a non-standard unit consisting of the SE¼ of Section 25 and the NE¾NE¾ of Section 36 to be dedicated to the Jalmat pool, and a standard unit consisting of the NW¼SE¾ of Section 25 to be dedicated to the Langlie-Mattix pool.
- 5. The forced pooling portion of Case No. 8748 was heard by the Division on October 23, 1985. At that hearing, Applicant requested a 160 acre non-standard unit consisting of the SE_4 of

- Section 25. Applicant now withdraws that request, and seeks approval of the above noted non-standard 200 acre unit.
- 6. Applicant has in good faith sought to join all other owners of mineral interests in the SE¼ of Section 25 and the NE¼NE¾ of Section 36 for the purposes of drilling the Jalmat well, and in the NW¼SE¾ of Section 25 for the purposes of drilling the Langlie-Mattix well.
- 7. Although Applicant attempted to obtain voluntary agreements from all owners of mineral interests to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have refused to join in dedicating their acreage. Therefore, Applicant seeks an order pooling all interest owners in the Jalmat pool underlying the SE% of Section 25 and NE%NE% of Section 36, and pooling all interests in the Langlie-Mattix pool underlying the NW%SE% of Section 25, pursuant to § 70-2-17 N.M.S.A. 1978.
- 8. Applicant asks the Division to consider the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and costs charged for supervision. Applicant requests that it be designated as operator of the well and that the Division set a penalty for the risk involved in drilling the well.
- 9. Applicant also seeks to dually complete the proposed well in the Jalmat and Langlie-Mattix pools.
- 10. The pooling of all interests in the Jalmat and Langlie-Mattix pools as above requested, approval of the non-standard Jalmat unit, and the dual completion, will prevent

the drilling of unnecessary wells, prevent waste, and protect correlative rights.

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Attorneys for Sun Exploration and Production Company

DATED: October <u>36</u>, 1985

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Amended Application was mailed to William F. Carr on this **30** 7 day of October, 1985.

James Bruce