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W. Thomas Kellahin
Karen Aubrey

Jason Kellahin
Of Counsel

January 12, 1987

RECEIVED

JAN 15 1987

OIL CONSERVATION DIVISION

Mr. Charles Roybal
Acting Director
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

"Hand Delivered"

Re: Foran Oil Company
Application for Compulsory Pooling
S/2NW/4, Section 8, T16S, R37E, NMPM

Case 9071

Dear Mr. Roybal:

On behalf of Foran Oil Company, we would appreciate you setting the enclosed application for a public hearing on the Division Examiner's docket now scheduled for February 4, 1987.

By copy of this letter to all parties to be pooled, we are notifying them by certified mail-return receipt, that they have the right to appear at the hearing, to make a statement to the Division, to present evidence and cross-examine witnesses either in support of or in opposition to the application. Those parties are directed to contact the Division or the applicant's attorney to determine what additional rights they may have. In addition, they are advised that the entry of a compulsory pooling order will affect their rights to share in the production from the subject well in the event it produces hydrocarbons.

Very truly yours,


W. Thomas Kellahin

WTK:ca
Enc.

cc: Mr. Joe Foran
All parties listed on Exhibit A to application by
Certified Mail

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION

RECEIVED

JAN 17

OIL CONSERVATION DIVISION

CASE: 9071

IN THE MATTER OF THE APPLICATION
OF FORAN OIL COMPANY, FOR
COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

A P P L I C A T I O N

COMES NOW FORAN OIL COMPANY, by and through its attorneys, Kellahin, Kellahin & Aubrey and in accordance with Section 7-2-17(c) NMSA (1978) applies to the New Mexico Oil Conservation Division for an order pooling all mineral interests in the North-East Lovington Pennsylvanian Pool, Lea County, New Mexico, underlying the S/2NW/4 of Section 8, T16S, R37E, NMPM, for the formation of an 80-acre spacing and proration unit for the subject well and in support thereof would show the Division:

1. Applicant has obtained the voluntary consent of approximately 91% of the working interests underlying the S/2NW/4 of Section 8, T16S, R37E, Lea County, New Mexico authorizing applicant to drill the subject well.

2. Applicant proposes to drill a well at a standard location within said 80-acre tract to a depth of approximately 12,700 feet to test for production in the North-East Lovington Pennsylvanian Pool.

3. Applicant has sought either voluntary agreement for pooling or farmout from the remaining approximately 8.15% of the other mineral or working interest owners in the S/2NW/4 but has been unable to obtain a voluntary agreement with those individuals as listed on Exhibit A attached hereto and incorporated herein.

4. Pursuant to Division notice requirements, applicant has attempted to notify all the 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 February 4, 1987.

5. In order to obtain its just and equitable share of the potential production underlying the above tract, applicant needs an order pooling the mineral interests involved 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 pooling 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 the subject well, completing and

equipping it, costs of operation, including costs of supervision and a risk factor in the amount of 200% for the drilling of the well, for such other and further relief as may be proper.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "W. Thomas Kellahin". The signature is written in a cursive style with a large initial "W".

By
W. Thomas Kellahin
Kellahin, Kellahin & Aubrey
P. O. Box 2265
Santa Fe, New Mexico 87504

(505) 982-4285

SUMMARY - OPEN ACREASE
NW/4 SECTION B, T-16-S, R-37-E,
LEA COUNTY, NEW MEXICO

JANUARY 9, 1987

45	Dorothy Jeanne Van Zant Sanders Suite 508, Sinclair Bldg. 106 West 5th St. Ft. Worth, Texas 76102	Open	0.0234375
2	Willie Mae Coalson, Living Trust c/o Dorothy Mae Wright 6227 Camino Corto San Diego, CA. 92190	Open	0.00390625
41	Harry J. Schafer, Jr., Trustee of the "Mary E. Grisso Trust #1" 6601 N. Broadway - Suite 125 Oklahoma City, OK. 73116	Open	0.0095833333
19	Harriet McAdoo Platt (Address Unknown)	Open	0.0035400391
3	William Harwood Brown 602 E. Mescalero Roswell, NM 88201	Open	0.0006510417
6	Ida Louise Brown McDonald 3210 Paul Drive Wheaton, Maryland 20902	Open	0.0006510417
4	Donald A. Brown 2599 Altus Drive Fayetteville, Arkansas 72701	Open	0.0006510417
8	R. Lee Huntington, Executor for the Estate of Alice S. Brown Huntington San Diego, CA. 92130	Open	0.0006510417
46	Ronald J. Byers 1600 United Bank Tower 400 W. 15th St. Austin, Texas 78701	Open	0.0078125
44	J. H. Van Zant, II Carolyn Van Zant 1730 Commerce Bldg. 307 W. 7th Ft. Worth, Texas 76102-5173	Open	0.0234375
49	Lydian Hall Woods c/o James R. Woods P.O. Box 1417 Socorro, New Mexico 87801	Open	0.0065625
7	Dorothy Mae Brown Wright 6227 Camino Corto San Diego, CA. 92190	Open	0.0006510417

TOTAL

0.0815348307