

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS & NATURAL RESOURCES
OIL CONSERVATION DIVISION

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OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF MOBIL PRODUCING TEXAS-NEW MEXICO,
INC. FOR COMPULSORY POOLING,
RIO ARRIBA COUNTY, NEW MEXICO.

Case No. 9901

APPLICATION

Comes now Mobil Producing Texas-New Mexico, Inc. by and through its attorneys, Montgomery & Andrews, P.A., and applies to the Oil Conservation Division as follows:

Applicant seeks an order pooling all mineral interests from the base of the Pictured Cliff formation to the base of the Dakota formation underlying Section 28, Township 24 North, Range 1 West, N.M.P.M., Rio Arriba County, New Mexico. Applicant seeks to form a standard 640-acre spacing and proration unit to be dedicated to a well at a standard location thereon for each pool in which standard spacing is 640 acres. Applicant further seeks to pool and dedicate the E 1/2 of said section for any pool spaced on 320 acres and seeks to pool and dedicate the SW 1/4, NE 1/4 for all forty-acre spaced pools.

In support thereof, applicant states that:

1. Applicant is the owner of an interest in and has a right to drill and develop a portion of the lands within Section 28, Township 24 North, Range 1 West, N.M.P.M., Rio Arriba County, New Mexico.

2. In accordance with the New Mexico Oil and Gas Act and the Rules and Regulations of the Oil Conservation Division, applicant has:

(a) Sought voluntary agreement among the owners within said Section 28.

(b) Failed to reach voluntary agreement with other interest owners in said Section 28.

3. As part of this application, applicant further requests that it be named operator of the well to be drilled on a standard 640-acre spacing unit within Section 28, that the order make provision for applicant to recover out of the production from such well its costs of drilling the subject well and its costs for completing and equipping it, costs of operation of the well, including costs of supervision and a risk factor in the amount of 200% of the costs of drilling, completing and equipping the well.

4. Pursuant to division notice requirement, applicant has given notice as required by Rule 1207 to BHP Petroleum Company, Inc., 5613 DTC Parkway, Suite 600, Englewood, Colorado 80111; A.G. Hill, Oil Producer, 5000 Thanksgiving Tower, Dallas, Texas, 75201; and the United States Department of Interior, Bureau of Land Management, Albuquerque District, 435 Montano Blvd., N.E., Albuquerque, New Mexico 87107, and asks that this case be set for hearing before the Oil Conservation Division on October 12, 1988.

WHEREFORE, applicant requests that this application be set for hearing, and that after notice and hearing its requested relief be granted.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

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