

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF BHP PETROLEUM
FOR COMPULSORY POOLING,
ROOSEVELT COUNTY, NEW MEXICO

No. 8720

APPLICATION

BHP Petroleum makes application for an Order pooling all interests in the formations specified below, in the E $\frac{1}{2}$ of Section 10, Township 6 South, Range 33 East, N.M.P.M., Roosevelt County, New Mexico, and in support thereof would show:

1. Applicant is the working interest owner of certain interests in the E $\frac{1}{2}$ of Section 10, Township 6 South, Range 33 East, Roosevelt County, New Mexico.

2. Applicant proposes to drill a well at an orthodox location in the N $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 10.

3. Applicant desires to drill its well to test the following formations:

(a) The Fusselman formation, with the N $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 10 to be dedicated to the well; and

(b) The Cisco formation, with the E $\frac{1}{2}$ of Section 10 to be dedicated to the well.

4. Applicant has in good faith sought to join all other mineral interest owners in the E $\frac{1}{2}$ of Section 10 for the purposes set forth herein.

5. Although Applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to

the well, the interest owner set forth below has refused to join in dedicating its acreage:

James Petroleum
P. O. Box 4648
Tulsa, Oklahoma 74159

Therefore, Applicant seeks an Order pooling all mineral interest owners in the above-specified formations underlying the E $\frac{1}{2}$ of Section 10, pursuant to N.M. Stat. Ann. § 70-2-17 (1978).


6. Applicant requests 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 also 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.

7. Pooling all interests as specified above will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

8. Applicant requests that this matter be set for hearing at the October 9, 1985 Examiner hearing.

Dated: September 12, 1985.

HINKLE, COX, EATON,
COFFIELD & HENSLEY

By 
James Bruce
Post Office Box 2068
Santa Fe, New Mexico 87504-2068
(505) 982-4554

Attorneys for BHP Petroleum