

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY, MINERALS
AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF
MITCHELL ENERGY CORPORATION FOR COMPULSORY
POOLING AND AN UNORTHODOX WELL LOCATION,
LEA COUNTY, NEW MEXICO.

CASE NO. 9272

AFFIDAVIT

STATE OF TEXAS)
)ss.
COUNTY OF MIDLAND)

I, RITA A. BURESS, being first duly sworn, and upon oath,
state:

1. I am employed by ARCO Oil & Gas Company as a landman in
Midland, Texas.

2. In my job with ARCO, I have been the contact person for
ARCO in dealings with Mitchell Energy Corporation for the
development of ARCO's interests in the N/2 of Section 3, Township
15 South, Range 35 East, N.M.P.M., Lea County, New Mexico.

3. In November, 1987, after an exchange of correspondence
concerning the farmout of ARCO's interest to Mitchell Energy, I
contacted Joe R. Lazenby, District landman for Mitchell Energy
Corporation, to discuss his farmout agreement and the December 2,
1987 New Mexico Oil Conservation Division hearing on Mitchell's
application for compulsory pooling of the N/2 of said Section 3.

4. During this call, all terms of the farmout agreement were agreed to by ARCO and by Mitchell, and I advised Mr. Lazenby that ARCO would not appear at the December 2, 1987 OCD compulsory pooling hearing since voluntary agreement had been reached for the development of these lands.

5. I mailed the farmout agreement containing all terms agreed to between ARCO and Mitchell in November, 1987 to Mitchell Energy in December, 1987.

6. In January, 1988 I was advised by letter from W. Thomas Kellahin, attorney for Mitchell Energy that ARCO's interest had been compulsorily pooled.

7. Subsequent to receiving Mr. Kellahin's letter I contacted Mr. Lazenby who advised me that the economics were better for Mitchell under the pooling order and they, therefore, considered ARCO's interests to have been compulsorily pooled by the New Mexico Oil Conservation Division.

WHEREFORE, Affiant sayeth naught.



RITA A. BURESS

SUBSCRIBED AND SWORN to before me this 4th day of February, 1988, by Rita A. Buress.



Notary Public

My Commission Expires:

