

BEFORE THE  
OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

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

MAR 8 1994

CASE NO. 10949

APPLICATION

SAMEDAN OIL CORPORATION, through its undersigned attorneys, hereby makes application to the Oil Conservation Division pursuant to the provisions of N.M.Stat. Ann. § 70-2-17, (1978) for an order pooling all mineral interests in the NE/4 NW/4 of Section 26, Township 23 South, Range 37 East, N.M.P.M., Lea County, New Mexico, and for approval of an unorthodox oil well location, and in support thereof states:

1. Applicant owns or represents over 70% of the working interest in the NE/4 NW/4 of Section 26, and applicant has the right to drill thereon.
2. Applicant proposes to drill its Hunt No. 1 Well at an unorthodox location 1050 feet from the North line and 1650 feet from the West line of Section 26, and drill to a depth of approximately 9,500 feet, more or less, to test any and all formations from the surface to the base of the Ellenburger formation.
3. Applicant has sought and been unable to obtain either voluntary agreement for pooling or farmout from certain interest owners in the NE/4 NW/4 of said Section 26.
4. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

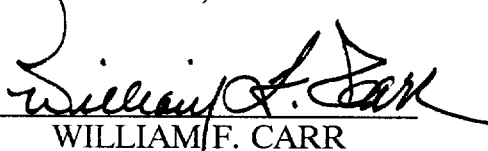
5. In order to permit the Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all mineral interests should be pooled, and Applicant should be designated the operator of the well to be drilled and the proposed unorthodox location.

WHEREFORE, Samedan Oil Corporation requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on March 31, 1994 and, after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions designating Samedan Oil Corporation operator of the NE/4 NW/4 of said Section 26, authorizing Applicant to recover its costs of supervision while drilling and after completion, including overhead charges, imposing a risk factor for the risk assumed by the Applicant in drilling, completing and equipping the well, and approving an unorthodox location for this well 1050 feet from the North line and 1650 feet from the West line of said Section 26.

Respectfully submitted,

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.

By:



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