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Case 15873

2017 SEP 20 P 3: 44

ALSO ADMITTED IN ARIZONA 320 PASEO DE PERALTA SUITE A SANTA FE, NEW MEXICO 87501 www.karenaubreylaw.com

September 19, 2017

Florene Davidson Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, NM 87505

Dear Florene:

Enclosed for filing on behalf of Sojourner Drilling Corporation is an application for compulsory pooling together with a proposed advertisement. Please set this on the November 9, 2017 Examiner hearing docket. Thank you.

ka/pjg

enclosure

Attorney for Sojourner Drilling Corporation

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION RECEIVED OCD

APPLICATION OF SOJOURNER DRILLING CORPORATION FOR COMPULSORY POOLING, CURRY COUNTY, NEW MEXICO

APPLICATION

Sojourner Drilling Corporation applies for an order pooling all mineral interests in the Canyon Formation underlying the NE/4 of Section 34, T6N, R34E, N.M.P.M., Curry County, New Mexico, and in support thereof, states:

- 1. Applicant is a working interest owner in the NE/4 of Section 34 and has the right to drill and develop said NE/4 of Section 34.
- 2. Applicant proposes to drill its Frio Lands #1 Well to a dept sufficient to test the Canyon Formation (WC-009 No. 63434G; Canyon (Gas) Pool). Applicant seeks to dedicate the well to the NE/4 of Section 34 to form a standard 160 acre as spacing and proration unit in the Canyon Formation for all pools or formations developed on 160 acre spacing. The well will is a vertical well at a standard location, with a surface and bottomhole location 1929 FNL and 1962 FEL, Section 34.
- 3. 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, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the NE/4 of Section 34, pursuant to NMSA 1978 §70-2-17.
- 4. The pooling of all mineral interests in the Canyon formation underlying the NE/4 of Section 34 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative

rights.

WHEREFORE, Applicant requests that after notice and hearing, the Division enter its order

- Pooling all mineral interests in the Canyon formation underlying the NE/4 of Section
 34;
 - 2. Designating applicant as operator of the well;
- 3. Considering the cost of drilling and completing the well; and allocating its cost among the well's interest owners;
- 4. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- 5. Setting a 200% charge for the risk involved in drilling and completing the well in the event that a working interest owner elects not to participate in the well.

Respectfully submitted,

LAW OFFICE OF KAREN AUBREY

Karen Aubrey

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(505) 982-4287

Attorney for Sojourner Drilling Corporation

PROPOSED ADVERTISEMENT

Case No. 15873	ase No	15873
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Application of Sojourner Drilling Corporation for compulsory pooling, Curry County, New Mexico. Applicant seeks and order pooling all mineral interests in the Canyon formation underlying the NE/4 of Section 34, Township 6N, Range 34E, N.M.P.M., for all pools or formations developed on 160 acre spacing within that vertical extent, including the WC-009 No. 63434G; Canyon (Gas) Pool. The unit will be dedicated to the Frio Lands #1 Well, a vertical well with a surface location in 1929 FNL and 1962 FEL of Section 34. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a 200% charge for the risk involved in drilling and completing the well. The spacing unit is located approximately 20 miles North of Clovis, New Mexico.