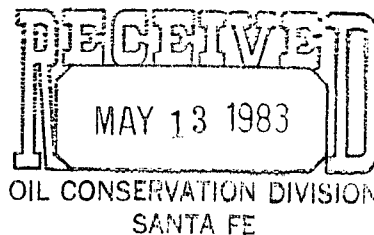


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May 13, 1983

Mr. Joe D. Ramey, Director
Oil Conservation Division
New Mexico Department of
Energy and Minerals
Post Office Box 2088
Santa Fe, New Mexico

Case 7889

Re: Application of C and E Operators, Inc. for
Compulsory Pooling, San Juan County, New Mexico

Dear Mr. Ramey:

Enclosed in triplicate is the application of C and E Operators, Inc. in the above-referenced matter.

The applicant requests that this matter be included on the docket for the examiner hearing scheduled to be held on May 25, 1983.

Very truly yours,

A handwritten signature in cursive script, appearing to read "William F. Carr".

William F. Carr

encl.
WFC:mdl

cc: Mr. M.W. Carr
C and E Operators, Inc.
Suite 1100,
Two Energy Square
4849 Greenville Avenue
Dallas, Texas 75206

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

IN THE MATTER OF THE APPLICATION
OF C and E OPERATORS, INC. FOR
COMPULSORY POOLING, SAN JUAN
COUNTY, NEW MEXICO

CASE 7889

APPLICATION

Comes now, C and E OPERATORS, INC., by and through its undersigned attorneys and, as provided by Section 70-2-17, New Mexico Statutes Annotated, 1978 Compilation, hereby makes application for an order pooling all of the mineral interests in the Mesaverde formation in and under the S/2 of Section 4, Township 30 North, Range 11 West, N.M.P.M., San Juan County, New Mexico, and in support thereof would show the Division.

1. Applicant owns or represents 100% of the working interest in and under the S/2 of Section 4, and applicant has the right to drill thereon.

2. Under 137 acres of the S/2 of said Section 4 both Manana Gas Incorporate and Beta Development Company each claim ownership of the working interest.

3. Applicant proposes to dedicate the above-referenced pooled unit to a well to be drilled 1850 feet from the South line and 955 feet from the West line of said Section 4.

4. Applicant proposes to place in escrow in San Juan County the share of the proceeds of the proposed well attributable to the working interest under the 137 acres in dispute until the title questions concerning this acreage can be resolved.

5. Said pooling of interests and well completion will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

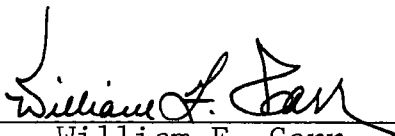
6. In order to permit the applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interest should be pooled, and applicant should be designated the operator of the well to be drilled.

WHEREFORE, applicant prays that this application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law the Division enter its order pooling the lands, including provisions for applicant to recover its costs of drilling, equipping and completing the well, and its costs of supervision while drilling,

and after completion, including overhead charges, and imposing a risk factor for the risk assumed by the applicant in drilling, completing and equipping the well, and making such other and further provisions as may be proper in the premises.

Respectfully submitted,

CAMPBELL, BYRD & BLACK, P.A.

By 
William F. Carr
Post Office Box 2208
Santa Fe, New Mexico 87501
ATTORNEYS FOR APPLICANT

505/988-4421