

ERNEST L. PADILLA
ATTORNEY AND COUNSELOR AT LAW

P.O. Box 2523
Santa Fe, New Mexico 87501
(505) 988-7577

February 28, 1983

HAND-DELIVERED

2-28-83

Richard L. Stamets
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87503

RE: Case No. 7742; Application of Overland Energy, Inc.
for Compulsory Pooling

Dear Mr. Stamets:

You will recall on December 16, 1982, you were hearing examiner in the above referenced case to pool the NW/4NE/4 of Section 10, Township 29 North, Range 15 West, N.M.P.M. During the hearing it was determined that Caribou Four Corners had not been given an opportunity to participate in a well to be dedicated to the above described lands. In this regard, the record was left open in order that Caribou Four Corners be notified and be given an opportunity to participate in the well.

Enclosed please find copies of correspondence attempting to secure voluntary joinder. Our latest contact with Caribou was by telephone on February 16 with a response that we would be given an answer by Friday, February 25. In short, we have not received an indication from Caribou, although we have supplied it with the information which it has requested.

Accordingly, we at this time request that an order be issued pooling the above described lands.

Please let me know if you need any other information or can be of further assistance to you.

Very truly yours,


Ernest L. Padilla

ELP/bv

Enc

cc: Overland Energy, Inc.
Caribou Four Corners

✓ OVERLAND ENERGY, INC.
6316 D. Oriole Drive
Dallas, Texas
75209

Caribou Four Corners, Inc.
P.O. Box 2105
Farmington, New Mexico
87499

Caribou Four Corners, Inc:

We are writing you in refernece to the force-pooling hearing that took place on December 16, 1982. The order of the hearing is to remain open until we contact you concerning your interest in the NW/4NE/4, Sec.10,T.29N.,R.15W. N.M.F.M.

This letter is to inform you as to the interest you have and the cost to you in order to paricipate in the well.

You need to contact Ernest Padilla, Box 2523, Santa Fe, New Mexico, 87501 as to what you elect to do with your interest. Mr. Padilla needs to hear from you by letter before February 10, 1983.

Caribou Four Corners, Inc. has the following lease and interst. The cost to you is as follows. This is the information you have asked for concerning our telephone cconversation. Enclosed is the A.F.E. of the well.

Lessor

Robert G. and Marcia Allen

Lessee

Caribou Four Corners, Inc.

Interest

1.29187% of one-eighth R.I. in 40 acres.

Total cost of well (estimate)

\$228,200.00 your cost is \$2,948.04

Dry Hole cost of well (estimate)

\$90,900.00 your cost is \$1,174.30


Wm. Springer
Overland Energy, Inc.

overland

ERNEST L. PADILLA
ATTORNEY AND COUNSELOR AT LAW

P.O. Box 2523
Santa Fe, New Mexico 87501
(505) 988-7577

December 27, 1982

Caribou Four Corners, Inc.
P.O. Box 2105
Farmington, New Mexico 87499

ATTN: Patsy Hedgecock

RE : Overland Energy, Inc.
Propect Gallup
NW/4NE/4 of Section 10,
Township 29 North, Range
15 West, San Juan County,
New Mexico

Dear Ms. Hedgecock:

Enclosed please find a copy of the AFE which you requested for the above-referenced prospect. Overland Energy's plans are to drill the well as soon as possible.

Please let me know if you have any questions, and I would appreciate an expedious reply.

Very truly yours,


Ernest L. Padilla

ELP/bv

Enc

cc: Overland Energy, Inc.