BEFORE THE OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF HARVARD PETROLEUM CORPORATION FOR COMPULSORY POOLING ROOSEVELT COUNTY. NEW MEXICO CASE NO. 12/04 2

APPLICATION

HARVARD PETROLEUM CORPORATION ("Harvard"), by and through its undersigned attorneys, pursuant to NMSA 1978, Section 70-2-17, applies for an Order pooling all mineral interests in all formations developed on 320-acre spacing underlying the W/2, in all formations developed on 160-acre spacing in the SW/4, in all formations developed on 80-acre spacing in the E/2 SW/4 and in all formations developed on 40-acre spacing from the surface to the base of the San Andres formation in the SE/4 SW/4 of Section 5, Township 8 South, Range 37 East, Roosevelt County, New Mexico. In support of this Application, Harvard states:

- 1. Harvard is a working interest owner in the W/2 of said Section 5, on which it proposes to drill its #1 Williams Well, at a standard location 990 feet from the South line and 1650 feet from the West line of said Section 5 to a depth sufficient to test any and all formations from the surface to the base of the San Andres formation, Bluitt-San Andres Associated Pool.
- 2. Harvard has sought and been unable to obtain either voluntary agreement for pooling or farmout from certain interest owners in the W/2 of said Section 5. The names and

addresses of those interest owners from whom Harvard has been unable to obtain either voluntary agreement for pooling or farmout is attached hereto as Exhibit "A."

- 3. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.
- 4. In order to permit Harvard to obtain its just and fair share of the oil and gas underlying the subject lands, all mineral interests should be pooled, and Harvard should be designated the operator of the well.
- 5. Granting this application will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Harvard Petroleum Corporation requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 17, 1998 and, after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions designating Harvard operator of the W/2 of said Section 5, authorizing Harvard to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling and after completion, including overhead charges, and imposing a risk factor for the risk assumed by Harvard in drilling, completing and equipping the well.

Respectfully submitted,

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

By:

WILLIAM F. CARR

PAUL R. OWEN

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR HARVARD PETROLEUM CORPORATION

EXHIBIT A NOTIFICATION LIST APPLICATION OF HARVARD PETROLEUM CORPORATION FOR COMPULSORY POOLING ROOSEVELT COUNTY, NEW MEXICO

SECTION 5, TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM, ROOSEVELT COUNTY, NEW MEXICO

Mary Ann Gelder Estate (address unknown)