

# INKLE, COX, EATON, COFFIELD & HENSLEY

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May 1, 1991

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Ms. Florene Davidson  
New Mexico Oil Conservation  
Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504

Dear Florene:

Enclosed are an original and two copies of an Application for Compulsory Pooling on behalf of Sage Energy Company. Please set this case for the June 13, 1991 docket. Thank you.

Very truly yours,

INKLE, COX, EATON, COFFIELD &  
HENSLEY

By: James Bruce

JB:le  
Enclosures

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

RECEIVED  
RECEIVED

APPLICATION OF SAGE ENERGY  
COMPANY FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

Case No. 10525

OIL CONSERVATION DIVISION  
OIL CONSERVATION DIVISION

APPLICATION

Sage Energy Company hereby makes application for an order pooling all interests from the surface to the base of the Devonian formation underlying the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 12, Township 13 South, Range 37 East, N.M.P.M., Lea County, New Mexico, and in support thereof would show:

1. Applicant is an interest owner in the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of said Section 12, and owns the right to drill a well thereon.

2. Applicant proposes to drill its Bivins No. 1 Well in the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 12, at a ~~standard location~~, to a depth sufficient to test the Devonian formation (approximately 12,300 feet), and seeks to dedicate the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 12 to the well.

3. Applicant has in good faith sought to join all other mineral or leasehold interest owners in the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 12 for the purposes set forth herein.

4. Although Applicant attempted to obtain voluntary agreements from all mineral or leasehold interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have refused to joint in dedicating their acreage. Therefore, applicant seeks an order pooling all

mineral and leasehold interest owners underlying the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 12 pursuant to N.M. Stat. Ann. Section 70-2-17 (1987 Repl.).

5. Applicant requests the Division to consider the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating charges and costs charged for supervision. Applicant requests that it be designated as operator of the well and that the Division set a penalty of 200% for the risk involved in drilling the well.

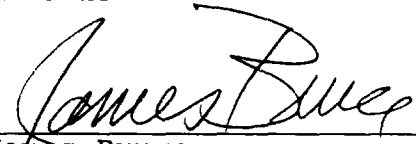
6. The pooling of all interests underlying the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 12 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

7. Applicant requests that this matter be heard at the June 13, 1991 Examiner hearing.

Respectfully Submitted,

HINKLE, COX, EATON, COFFIELD &  
HENSLEY

By

  
James Bruce  
500 Marquette, N.W.  
Suite 800  
Albuquerque, N.M. 87102  
(505) 768-1500

Attorneys for Applicant

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

RECEIVED

APPLICATION OF SAGE ENERGY  
COMPANY FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

Case No. 10328

OIL CONSERVATION DIVISION

APPLICATION

Sage Energy Company hereby makes application for an order pooling all interests from the surface to the base of the Devonian formation underlying the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 12, Township 13 South, Range 37 East, N.M.P.M., Lea County, New Mexico, and in support thereof would show:

1. Applicant is an interest owner in the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of said Section 12, and owns the right to drill a well thereon.
2. Applicant proposes to drill its Bivins No. 1 Well in the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 12, at a standard location, to a depth sufficient to test the Devonian formation (approximately 12,300 feet), and seeks to dedicate the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 12 to the well.
3. Applicant has in good faith sought to join all other mineral or leasehold interest owners in the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 12 for the purposes set forth herein.
4. Although Applicant attempted to obtain voluntary agreements from all mineral or leasehold interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have refused to joint in dedicating their acreage. Therefore, applicant seeks an order pooling all

mineral and leasehold interest owners underlying the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 12 pursuant to N.M. Stat. Ann. Section 70-2-17 (1987 Repl.).

5. Applicant requests the Division to consider the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating charges and costs charged for supervision. Applicant requests that it be designated as operator of the well and that the Division set a penalty of 200% for the risk involved in drilling the well.

6. The pooling of all interests underlying the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 12 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

7. Applicant requests that this matter be heard at the June 13, 1991 Examiner hearing.

Respectfully Submitted,

HINKLE, COX, EATON, COFFIELD &  
HENSLEY

By 

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Attorneys for Applicant

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

RECEIVED

APPLICATION OF SAGE ENERGY  
COMPANY FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

Case No. 16-228

OIL CONSERVATION DIVISION

APPLICATION

Sage Energy Company hereby makes application for an order pooling all interests from the surface to the base of the Devonian formation underlying the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 12, Township 13 South, Range 37 East, N.M.P.M., Lea County, New Mexico, and in support thereof would show:

1. Applicant is an interest owner in the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of said Section 12, and owns the right to drill a well thereon.

2. Applicant proposes to drill its Bivins No. 1 Well in the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 12, at a standard location, to a depth sufficient to test the Devonian formation (approximately 12,300 feet), and seeks to dedicate the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 12 to the well.

3. Applicant has in good faith sought to join all other mineral or leasehold interest owners in the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 12 for the purposes set forth herein.

4. Although Applicant attempted to obtain voluntary agreements from all mineral or leasehold interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have refused to joint in dedicating their acreage. Therefore, applicant seeks an order pooling all

mineral and leasehold interest owners underlying the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 12 pursuant to N.M. Stat. Ann. Section 70-2-17 (1987 Repl.).

5. Applicant requests the Division to consider the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating charges and costs charged for supervision. Applicant requests that it be designated as operator of the well and that the Division set a penalty of 200% for the risk involved in drilling the well.


6. The pooling of all interests underlying the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 12 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

7. Applicant requests that this matter be heard at the June 13, 1991 Examiner hearing.

Respectfully Submitted,

HINKLE, COX, EATON, COFFIELD &  
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Attorneys for Applicant