

LAW OFFICES

TANSEY, ROSEBROUGH, GERDING & STROTHER, P.C.

621 WEST ARRINGTON
FARMINGTON, NEW MEXICO 87401
TELEPHONE: (505) 325-1801

OIL CONSERVATION DIVISION
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'92 OCT 5 PM 9 49 TELECOPIER:
(505) 325-4675

October 2, 1992

OF COUNSEL
Charles M. Tansey

Douglas A. Echols
Richard L. Gerding
Connie R. Martin
Michael T. O'Loughlin
James B. Payne
Tommy Roberts
Haskell D. Rosebrough
Robin D. Strother
Karen L. Townsend

Mailing Address:
P. O. Box 1020
Farmington, N.M. 87499

State of New Mexico
Energy, Minerals and Natural
Resources Department
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501-2088

10577

Attn: William J. Lemay, Director

Re: Applications for Compulsory Pooling
SG Interests I, Ltd.
San Juan County, New Mexico

Gentlemen:

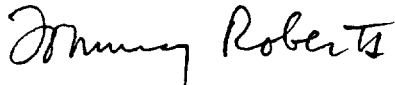
Enclosed please find Applications for Compulsory Pooling
filed on behalf of SG Interests I, Ltd. for the following lands,
all located in San Juan County, New Mexico:

- 1) ~~N/2 of Section 2, Township 29 North, Range 9 West~~
- 2) S/2 of Section 2, Township 29 North, Range 9 West
- 3) S/2 of S/2 of Section 19 and N/2 of Section 30,
Township 29 North, Range 9 West
- 4) E/2 of Section 15, Township 29 North, Range 10 West
- 5) N/2 of Section 21, Township 29 North, Range 10 West
- 6) S/2 of Section 22, Township 29 North, Range 10 West
- 7) E/2 of Section 27, Township 29 North, Range 10 West
- 8) E/2 of Section 31, Township 29 North, Range 10 West
- 9) W/2 of Section 26, Township 29 North, Range 11 West
- 10) E/2 of Section 30, Township 30 North, Range 8 West

- 11) S/2 of Section 17, Township 30 North, Range 9 West
- 12) E/2 of Section 18, Township 30 North, Range 9 West
- 13) S/2 of Section 25, Township 30 North, Range 9 West
- 14) N/2 of Section 25, Township 30 North, Range 9 West

Please place these applications on the October 29th, 1992 docket of the New Mexico Oil Conservation Division. Please advise should you require any additional information.

Sincerely,



Tommy Roberts,
Attorney for
SG Interests I, Ltd.

TR:tlm

cc: Supervisor, District III Office
New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

cc: James B. Fullerton,
Consulting Landman on behalf
of SG Interests I, Ltd.
1645 Court Place, Suite 406
Denver, Colorado 80202

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Santa Fe, New Mexico 87501-2088

Case 10577

Attn: William J. Lemay, Director

Re: Application for Compulsory Pooling
SG Interests I, Ltd.
N/2 of Section 2, Township 29 North, Range 9 West
San Juan County, New Mexico

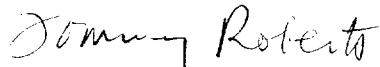
Gentlemen:

Please consider this letter the formal application of SG Interests I, Ltd. for an order of the New Mexico Oil Conservation Division force-pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the N/2 of Section 2, Township 29 North, Range 9 West, N.M.P.M., San Juan County, New Mexico, forming an approved non-standard 324.00 acre coal gas spacing and proration unit for said pool, to be dedicated to its Gross 29-9-2 #1 Well to be drilled at a standard coal gas well location 1,765 feet from the north line and 2,010 feet from the east line of said Section 2. SG Interests I, Ltd. requests that such order designate SG Interests I, Ltd. as the operator of the proposed well, and that it provide for the recovery by the joining working interest owners of the cost of drilling, completing, equipping and operating the proposed well, together with a reasonable charge for risk involved in drilling the well. In addition, SG Interests I, Ltd. requests that the order establish a reasonable charge for the supervision of the well during the drilling and production stages.

State of New Mexico
Oil Conservation Division
Page 2
October 2, 1992

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Sincerely,



Tommy Roberts,
Attorney for
SG Interests I, Ltd.

TR:tlm

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New Mexico Oil Conservation Division
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Aztec, New Mexico 87410

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