S'LOGYGER N DIVISION REGIVER

LAW OFFICES

LOSEE, CARSON, HAAS & CARROLL, P. 84 19 HELEPHONE

ERNEST L. CARROLL JOEL M. CARSON DEAN B.CROSS JAMES E. HAAS A.J.LOSEE

MARY LYNN BOGLE

P. O. DRAWER 239 ARTESIA, NEW MEXICO 88211-0239 (505) 746-3505 TELECOPY (505) 746-6316

May 6, 1994

VIA FACSIMILE AND FIRST CLASS MAIL

Mr. William J. LeMay, Director New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

11701

Application of M. Craig Clark for Compulsory Pooling, Eddy County, New Mexico

Dear Mr. LeMay:

Enclosed for filing, please find three copies of the Application of M. Craig Clark for compulsory pooling in Eddy County, New Mexico.

We ask that this case be set for hearing before an examiner on June 9, 1994, and that we be furnished a copy of the docket for said hearing.

Yours truly,

LOSEE, CARSON, HAAS & CARROLL, P.A.

The 1 though

Ernest L. Carroll

ELC:kth Enclosures

xc: M. Craig Clark

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF : M. CRAIG CLARK FOR COMPULSORY POOLING, : CAS EDDY COUNTY, NEW MEXICO :

CASE NO. _//00/

APPLICATION

COMES NOW M. CRAIG CLARK, by his attorneys, and in support hereof respectfully states:

- 1. Applicant has the right to drill his Ceiba State Com 19 Well in the Cisco formation as a gas well, which is to be located at a point 1980 feet from the West line and 660 feet from the North line of Section 19, Township 20 South, Range 27 East, N.M.P.M., Eddy County, New Mexico.
- 2. The applicant has dedicated the N/2 of said section to this well, and there are interest owners in the proration unit who have not agreed to pool their interests.
- 3. Applicant should be designated the operator of the well and the proration unit.
- 4. To avoid the drilling of unnecessary wells, to protect correlative rights and to afford to the owner of each interest in said unit the opportunity to recover or receive without unnecessary expense his just and fair share of the oil in said unit, all mineral interests, whatever they may be, from the surface down through and including the Cisco formation underlying the N/2 of said Section 19, should be pooled.

- 5. That any non-consenting working interest owner who does not pay his share of estimated well costs should have withheld from production his share of the reasonable well costs, plus an additional 200% thereof, as a reasonable charge for the risk involved in the drilling of the well.
- 6. Applicant should be authorized to withhold from production the proportionate share of a reasonable supervision charge for drilling and producing wells attributable to each non-consenting working interest owner.

WHEREFORE, applicant prays:

- That this application be set for hearing before an examiner and that notice of said hearing be given as required by law.
- В. That upon hearing the Division enter its order pooling all mineral interests, whatever they may be, from the surface down through and including the Cisco formation underlying the N/2 of said Section 19, Township 20 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, to form a 320-acre spacing unit dedicated to applicant's well.
 - And for such other relief as may be just in the premises.

M. CRAIG CLARK

LOSEE, CARSON, HAAS & CARROLL, P.A. P. O. Drawer 239 Artesia, New Mexico 88210

(505/746-3505)

Attorneys for Applicant

LAW OFFICES LOSEE, CARSON, HAAS & CARROLL, P. A. ERNEST L. CARROLL 300 YATES PETROLEUM BUILDING

TELEPHONE (505) 746-3505

TELECOPY (505) 746-6316

A. J. LOSEE

MARY LYNN BOGLE

June 10, 1994

VIA FACSIMILE AND FIRST CLASS MAIL

Mr. William J. LeMay, Director New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Application of Craig Clark for Compulsory

Pooling, No. 11001

Dear Mr. LeMay:

On behalf of M. Craig Clark, I hereby request that the abovereferenced Application for Compulsory Pooling be dismissed.

Thank you for your assistance.

Very truly yours,

LOSEE, CARSON, HAAS & CARROLL, P.A.

Ernest L. Carroll

ELC:kth

xc w/encl: M. Craig Clark

Tom Kellahin, Esq. (via fax and mail)