BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF ECHO PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

No. 8/65

MAR 27 1984

APPLICATION

Echo Production Company, by its undersigned attorneys, hereby makes application for an order pooling all interests in the Atoka formation underlying the N1/2 of Section 23, Township 9 South, Range 32 East, N.M.P.M., Lea County, New Mexico, and in support thereof would show:

- 1. Applicant is entitled to proceed with the drilling of a well located in the N1/2 of Section 23.
- 2. Applicant proposes to drill a well at a standard location in the N1/2 of Section 23 to a depth sufficient to test the Atoka formation. The N1/2 of Section 23 is to be dedicated to the well.
- 3. Applicant has in good faith sought to join all other mineral interest owners in the N1/2 of Section 23 for the purposes set forth herein. However, there are still some mineral interest owners who have refused to join in dedicating their acreage, and Applicant seeks an Order pooling all minerals interests in the Atoka formation underlying the N1/2 of Section 23, pursuant to § 70-2-17 N.M.S.A. 1978.
- 4. The Division's Order interest pursuant to this Application should designate Applicant as operator of the proposed well. Applicant also requests that the Division

consider the cost of drilling and completing the well and the allocation of the costs thereof, actual operating costs and a charge for supervision, and a charge for the risk involved in drilling the well.

- 5. Approval of this Application will prevent the drilling of unnecessary wells, protect correlative rights, and prevent waste.
- 6. Applicant requests that this matter be set for the April 25, 1984 Examiner hearing.

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Dated: March 27, 1984