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April 25, 1988

1988 G S 1988

OIL CONSERVATION DIVISION

194 **n** 

Mr. William J. LeMay
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

"Hand Delivered"

Re: Curtis J. Little Oil & Gas

for Compulsory Pooling

Rio Arriba County, New Mexico

Case 9388

Dear Mr. LeMay:

On behalf of Curtis J. Little Oil & Gas, we would appreciate you setting the enclosed application for a public hearing on the Division's Examiner docket now scheduled for May 25, 1988.

By copy of this letter to all parties to be pooled, we are notifying them by certified mail-return receipt, that they have the right to appear at the hearing, to make a statement to the Division, to present evidence and cross-examine witnesses either in support of or in opposition to the application. Those parties are directed to contact the Division or the applicant's attorney to determine what additional rights they may have. In addition, they are advised that the entry of a compulsory pooling order will affect their rights to share in the production from the subject well.

W. Thomas Kellahin

WTK:ca Enc.

cc: Mr. Al Kendrick P. O. Box 516

Aztec, New Mexico 87410

"Certified Return-Receipt Requested"

Amoco Production Company Attn: Kent Lund, Esq.

P. O. Box 800

Denver, Colorado 80201

## STATE OF NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF CURTIS J. LITTLE OIL & GAS FOR COMPULSORY POOLING AND UNORTHODOX WELL LOCATION, RIO ARRIBA COUNTY, NEW MEXICO.

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PER 19 1.....

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CASE: 9388

## APPLICATION

COMES NOW, CURTIS J. LITTLE OIL & GAS, by and through its attorneys, Kellahin, Kellahin & Aubrey and in accordance with Section 7-2-17(c) NMSA (1978) applies to the New Mexico Oil Conservation Division for an order pooling all mineral interests underlying the following described acreage in Section 1, T25N, R3W, Rio Arriba County, New Mexico, in the following described manner:

SE/4 to form a 160 acre, more or less, gas spacing and proration unit for any and all formations and/or pools within said vertical limits developed on 160-acre gas well spacing.

The above described unit is to be dedicated to a well to be drilled to a depth of approximately 8,300 feet at standard well location to test for production in the West Lindrith Gallup Dakota Gas Pool.

1. Applicant is a working interest owner of the W/2 SE/4 of Section 1 and Amoco Production Company is the working interest owner in the E/2SE/4.

- 2. Applicant, with approximately 50% interest, has sought a voluntary agreement with Amoco Production Company for its approximately 50% interest for the formation of a SE/2 160 acre unit for the drilling of the subject well but has been unable to obtain a voluntary agreement from Amoco Production Company.
- 3. Pursuant to the Division notice requirements, applicant has notified Amoco Production Company of this application for compulsory pooling and the applicant's request for a hearing before the Division to be set on May 25, 1988.
- 4. In order to obtain its just and equitable share of the potential production underlying the above tract, applicant needs an order pooling the mineral interests involved in order to protect applicant's correlative rights and prevent waste.

WHEREFORE, applicant prays that this application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order pooling the mineral interest described herein. Applicant further prays that it be named operator of the well, and that the order make provisions for applicant to recover out of production its costs of drilling, completing and equipping the subject well, costs of operation, including costs of supervision,

and a risk factor in the amount of 200% for the drilling and completing of the well, for such other and further relief as may be proper.

Respectfully submitted,

W. Thomas Kellahin

Kellahin, Kellahin & Aubrey

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