

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MESA GRANDE  
RESOURCES, INC. FOR COMPULSORY  
POOLING RIO ARRIBA COUNTY,  
NEW MEXICO.

RECEIVED

Case No. \_\_\_\_\_

OIL CONSERVATION DIVISION

APPLICATION

Mesa Grande Resources, Inc., hereby makes application for an Order pooling all interests in the Gavilan-Mancos and Gavilan Greenhorn-Graneros-Dakota formations in the E½ of Section 23, Township 25 North, Range 2 West, N.M.P.M., Rio Arriba County, New Mexico, and in support thereof would show:

1. Applicant is a working interest owner in the E½ of said Section 23.

2. Applicant proposes to drill its Hawkeye No. 1 Well in the E½ of Section 23, at a standard location, to a depth sufficient to test the Gavilan Greenhorn-Graneros-Dakota formation, and seeks to dedicate the E½ of Section 23 to the well.

3. Order No. R-8288, which is still in effect, was previously issued by the Division, force pooling certain interest owners in the described property. It has since become necessary to force pool additional interests in the described property.

4. Applicant has in good faith sought to join all other mineral interest owners in the E½ of Section 23 for the purposes set forth herein.

5. Although Applicant attempted to obtain voluntary agreements from all mineral 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 join in dedicating their acreage. Therefore, Applicant seeks an Order pooling all mineral interest owners in the above described formations underlying the E½ of Section 23, pursuant to § 70-2-17 N.M.S.A. 1978.

6. Applicant asks that the Division consider the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and costs charged for supervision. Applicant requests that it be designated as operator, under an operating agreement proposed by it, and that the Division set a penalty for the risk involved in drilling the well.

7. The pooling of all interests underlying the E½ of Section 23 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

HINKLE, COX, EATON,  
COFFIELD & HENSLEY

By



James Bruce  
Post Office Box 2068  
Santa Fe, New Mexico 87504-2068

Dated: February 16, 1987

Attorneys for Applicant

March 18, 1987

CASE \_\_\_\_\_

NSP: SF  
Espanola

Application of Mesa Grande Resources, Inc. for compulsory pooling, Rio Arriba County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gavilan-Mancos and Gavilan Greenhorn-Graneros-Dakota Oil Pools underlying the E/2 of Section 23, Township 25 North, Range 2 West, to form a standard 320-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

*R-8249  
Case 8964*