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February 25, 1987

RECEIVED

FEB 25 1987

OIL CONSERVATION DIVISION

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
State Land Office Building
Post Office Box 2088
Santa Fe, New Mexico 87503

Re: Application of Reading and Bates Petroleum Company
for Compulsory Pooling, Rio Arriba County, New
Mexico

Dear Mr. LeMay:

Enclosed are three applications for pooling on behalf of
Reading and Bates Petroleum Company in the following cases: Case
9090; Case 9091; and, Case 9093. These three pooling cases are
presently set for the examiner hearing on March 18, 1987.

With respect to Case 9092 and Case 9094, Reading and Bates
requests these matters be continued until the next examiner
hearing scheduled for April 1, 1987.

Thank you for your cooperation.

Very truly yours,


J. Scott Hall

JSH/ba
Enclosures

cc: Eric Koelling, w/enclosures

BEFORE THE OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION
OF READING AND BATES PETROLEUM
COMPANY FOR COMPULSORY POOLING,
RIO ARriba COUNTY, NEW MEXICO

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Case No. 9091
OIL CONSERVATION DIVISION

APPLICATION

Reading and Bates Petroleum Company, by and through its undersigned counsel, and as provided in Section 70-2-17 N.M.S.A., (1978) hereby makes application for an order pooling all mineral interests in the West Lindrith Gallup-Dakota Oil Pool underlying the NE/4 of Section 27, Township 25 North, Range 3 West NMPM to form a standard 160 acre oil spacing and proration unit and in support thereof would show the Division:

1. Applicant owns or represents a substantial portion of the working interest in an under the NE/4 of said Section 27, and applicant has the right to drill thereon.

2. Applicant proposes to dedicate the above referenced 160 acre pooled unit to a well to be drilled at an orthodox location on said Section 27.

3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from the owners of less than 100% of the working interest in the NE/4 of said Section 27.

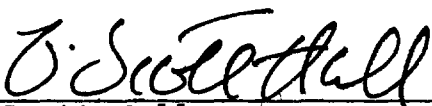
4. The pooling of the uncommitted interests and well completion at the orthodox location will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

5. In order to permit the applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the uncommitted mineral interests should be pooled, and the applicant should be designated the operator of the well to be drilled at the orthodox location referenced above.

WHEREFORE, Applicant prays that this application be set for hearing before a duly appointed examiner of the Oil Conservation Division on March 18, 1987, and that after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions for applicant to recover its costs of drilling, equipping and completing a well, its costs of supervision while drilling and after completion, including overhead charges and imposing a risk factor for the risk assumed by the applicant in drilling, completing and equipping the well, and making such other and further provisions as may be proper in the premises.

Respectfully submitted,

CAMPBELL & BLACK

By 
J. Scott Hall
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ATTORNEYS FOR READING & BATES
PETROLEUM COMPANY