

BEFORE THE
OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION
OF COLLINS & WARE, INC.,
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

JAN 26 1994 CASE NO. 10912

APPLICATION

COLLINS & WARE, INC., through its undersigned attorneys, hereby makes application to the Oil Conservation Division pursuant to the provisions of N.M.Stat. Ann. § 70-2-17, (1978) for an order pooling all mineral interests in the E/2 SW/4 of Section 10, Township 17 South, Range 37 East, N.M.P.M., Lea County, New Mexico, and in support thereof states:

1. Applicant owns or represents 80% of the working interest in the E/2 SW/4 of Section 10, and applicant has the right to drill thereon.
2. Applicant proposes to drill its Scarborough No. 1 Well at an orthodox location 1980 feet from the South line and 1880 feet from the ~~East~~^{West} line of Section 10, and drill to a depth of approximately 11,700 feet, more or less, to test any and all formations from the surface to the base of the Strawn formation, Humble-City-Strawn Pool.
3. Applicant has sought and been unable to obtain either voluntary agreement for pooling or farmout from certain interest owners in the E/2 SW/4 of said Section 10.
4. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

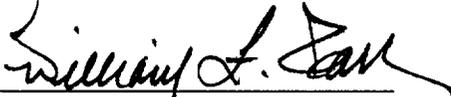
5. In order to permit the Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all mineral interests should be pooled, and Applicant should be designated the operator of the well to be drilled.

WHEREFORE, Collins & Ware, Inc. requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on February 17, 1994 and, after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions designating Collins & Ware, Inc. operator of the E/2 SW/4 of said Section 10, authorizing Applicant to recover 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.

Respectfully submitted,

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.

By:



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