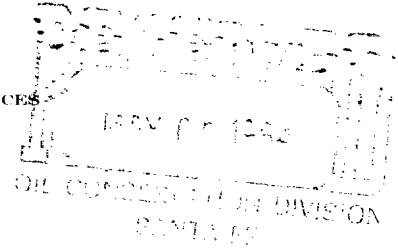


**DANIEL S. NUTTER**  
REGISTERED PETROLEUM ENGINEER  
PETROLEUM CONSULTATION AND STATE AND FEDERAL REGULATORY SERVICES  
105 EAST ALCANTE  
SANTA FE, NEW MEXICO 87501  
PHONE (505) 982-0757



May 4, 1984

*Case 8286*

Mr. Joe D. Ramey  
Division Director  
Oil Conservation Division  
New Mexico Energy and Minerals Department  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Re: Application of Mesa Grande Resources, Inc., for creation of an oil pool and the promulgation of special pool rules, Rio Arriba County, New Mexico

Dear Mr. Ramey:

Mesa Grande Resources, Inc., as a major interest owner in the area, hereby requests a hearing before the full Commission at the earliest possible date after June 15, 1984, to consider the creation of the Gavilan Greenhorn-Dakota Oil Pool, comprising the following described lands in Rio Arriba County, New Mexico:

Township 24 North, Range 2 West, NMPM

Section 2: All  
Section 3: E/2

Township 25 North, Range 2 West, NMPM

Section 14: W/2  
Sections 15 thru 17: All  
Section 20: E/2  
Sections 21 thru 23: All  
Sections 26 thru 28: All  
Section 29: E/2  
Section 33: E/2  
Sections 34 and 35: All

*Graneros-*

Joe D. Ramey  
Page 2

The vertical limits of said pool would be from the base of the Gavilan-Mancos Oil Pool as found at a depth of 7574 feet in the Northwest Production Co. Gavilan Well No. 1, located in Unit A of the aforesaid Section 26, to the base of the Dakota Producing Interval as defined by the Division.

Mesa Grande further requests the promulgation of special pool rules for said Gavilan Greenhorn-Dakota Oil Pool, including a provision for 160-acre spacing and proration units, with well locations permitted in any 40-acre tract within the unit.

Your favorable consideration of this application for hearing and creation of the subject oil pool with the aforesaid special pool rules is respectfully requested.

Very truly yours,

A handwritten signature in black ink, appearing to read "Daniel S. Nutter". The signature is written in a cursive style with a large initial "D".

Daniel S. Nutter, P.E.

cc: Frank T. Chavez  
New Mexico Oil Conservation Division  
1000 Rio Brazos Road  
Aztec, NM 87410

E. Alex Phillips  
1200 Philtower Bldg.  
Tulsa, Ok 74103

Owen Lopez, Esq.  
Hinkle Law Firm  
Santa Fe, NM