

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

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OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF BENSON-MONTIN-GREER DRILLING
CORP. FOR COMPULSORY POOLING AND
AN UNORTHODOX WELL LOCATION,
RIO ARriba COUNTY, NEW MEXICO.

Case No. 9024

APPLICATION

BENSON-MONTIN-GREER DRILLING CORP., by and through its undersigned attorneys and as provided by Section 70-2-17 N.M.S.A. 1978 hereby makes application for an Order pooling all of the mineral interests in the Niobrara member of the Mancos formation, in and under the 640-acre spacing or proration unit comprised of Section 20, Township 25 North, Range 1 West, N.M.P.M., Rio Arriba County, New Mexico, and in support thereof would show the Division:

1. Applicant owns or represents approximately 91% of the working interest in and under the 640-acre spacing proration unit comprised of said Section 20, and applicant has the right to drill thereon.

2. Applicant proposes to dedicate the above referenced 640-acre standard spacing or proration unit to its Canada Ojitos No. 36-A-20 well to be drilled at an unorthodox location 1,200 feet from the North line and 415 feet from the East line of said Section 20.

3. Applicant represents all the working interest owners in said Section 20, except for Mountain States Natural Gas Corporation, Albert J. Blair, President, P.O. Box 35426, Tulsa, Oklahoma 74135, owner of a 9.4% working interest.

4. Said pooling of interests and well completion 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 mineral interests should be pooled, and Applicant should be designated the operator or the well to be drilled.

WHEREFORE, Applicant prays that this application be set for hearing before a duly appointed examiner of the Oil Conservation Division on November 5, 1986, and that after notice and hearing as required by law, the Commission enter its order pooling the lands, including provisions for Applicant to recover its costs of drilling, equipping and completing the 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, approving the location of the well as proposed by the Applicant, and making such other and further provisions as may be proper in the premises.

Respectfully submitted:

CAMPBELL & BLACK, P.A.

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