



MONTGOMERY
& ANDREWS
LAW FIRM

J. Scott Hall

Office: (505) 982-3873
Email: shall@montand.com
Reply To: Santa Fe Office
www.montand.com

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October 24, 2014

Ms. Jami Bailey, Director
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Hand Delivered

Re: NMOCD Case No. 15224; Application of Sovereign Eagle, LLC for Compulsory Pooling, Roosevelt, County, New Mexico.

Dear Ms. Bailey:

On behalf of Sovereign Eagle, LLC enclosed is the amended Application for the hearing to take place on October 30, 2014. Also enclosed for filing is a Certificate of Service regarding same.

Thank you.

Very truly yours,

J. Scott Hall

Enclosure a/s

cc: Jim Bruce, Esq.
Mitch Krakauskas

325 Paseo de Peralta
Santa Fe, New Mexico 87501

T: 505.982.3873
F: 505.982.4289

P.O. Box 2307
Santa Fe, New Mexico 87504-2307

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERAL AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

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**IN THE MATTER OF THE APPLICATION
OF SOVEREIGN EAGLE, LLC
FOR COMPULSORY POOLING,
ROOSEVELT COUNTY, NEW MEXICO**

CASE NO. 15224

**APPLICATION
(AMENDED)**

SOVEREIGN EAGLE, LLC, by its undersigned attorneys, Montgomery and Andrews, P.A. (J. Scott Hall and Seth C. McMillan), hereby makes application pursuant to NMSA 1978 Section 70-2-17 (1995) for an order consolidating each of the 40-acre, 160-acre, and 320-acre spacing units within the N/2 of Section 26, Township 2 South, Range 29 East, NMPM, Roosevelt County, New Mexico as follows: the SE/4 NW/4 for all formations developed on a 40-acre basis; the NW/4 for all formations developed on a 160-acre basis; and the N/2 for all formations developed on a 320-acre basis, including but not limited to the Montoya formation, Tule-Montoya Gas Pool (86442).

In support, Applicant states:

1. Applicant owns certain working interests in and under the N/2 of Section 26 and has the right to drill thereon.
2. Applicant proposes to dedicate the above-referenced pooled unit to its Stoltenberg No. 2 Well to be drilled vertically at a standard location in the SE/4 of the NW/4 of Section 26 (Unit F), to test any and all formations from the surface to the base of the Montoya formation within the spacing and proration units described above.

3. Applicant does not have leases or a voluntary agreement for pooling or farmout from certain other interest owners in the above-referenced formations underlying the N/2 of Section 26.


4. 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 the Applicant should be designated operator of the well.

5. The pooling of interests will afford the Applicant the opportunity to produce its just and equitable share of hydrocarbons underlying the subject lands, will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

WHEREFORE Applicant requests that this Application be set for hearing before a duly appointed hearing examiner of the Oil Conservation Division on October 30, 2014 and that after notice and hearing as required by law, the Division enter its Order approving the non-standard spacing unit, the standard project area and 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 providing for adjustments to such rates in accordance with accepted COPAS accounting procedures, and imposing a 200% 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,

MONTGOMERY & ANDREWS, P.A.

By: 

J. Scott Hall

Seth C. McMillan

P.O. Box 2307

Santa Fe, NM 87504-2307

(505) 982-3873 – Telephone

(505) 982-4289 – Fax

shall@montand.com

smcmillan@montand.com

Attorneys for Sovereign Eagle, LLC

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IN THE MATTER OF THE APPLICATION
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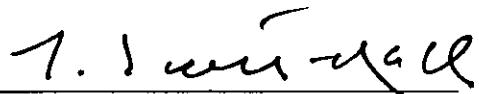
CERTIFICATE OF SERVICE

I hereby certify that on the 24th day of October, 2014, Sovereign Eagle, LLC served the amended Application via electronic transmission to the following counsel at the email address listed below.

James Bruce, Esq.
P. O. Box 1056
Santa Fe, NM 87504
(505) 982-2043
Jamesbruc@aol.com

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By: 

J. Scott Hall
Seth C. McMillan

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Santa Fe, NM 87504-2307
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(505) 982-4289 – Fax
shall@montand.com
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Attorneys for Sovereign Eagle, LLC