

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

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**APR 2 2002
OIL CONSERVATION
DIVISION**

**IN THE MATTER OF THE APPLICATION
OF HOLCOMB OIL AND GAS, INC.
FOR COMPULSORY POOLING,
RIO ARriba COUNTY, NEW MEXICO.**

CASE NO. 12799

APPLICATION

HOLCOMB OIL AND GAS, INC. ("Holcomb"), through its undersigned attorneys, hereby makes application pursuant to the provisions of N.M.Stat. Ann. § 70-2-17, (1978), for an order pooling all mineral interests in all formations from the surface through the base of the Pictured Cliffs formation in a standard 160-acre gas spacing and proration unit comprised of the SW/4 of Section 4, Township 25 North, Range 3 West, NMPM, Rio Arriba County, New Mexico for all formations and/or pools developed on 160-acre spacing which includes but is not necessarily limited to the Tapicito-Pictured Cliffs Gas Pool. This unit is to be dedicated to the Holcomb Oil and Gas, Inc. McCroden B Well No. 1 located at a standard gas well location in Section 4. In support of its application Holcomb states:

1. Holcomb is a working interest owner in said Section 4, on which is located its McCroden B Well No. 1 at a standard location 1850 feet from the South and West lines of said Section 4 which has been drilled to a depth sufficient to test any and all formations from the surface through the Pictured Cliffs formation.

2. Holcomb has sought and been unable to obtain either a voluntary agreement for pooling or a farmout from the interest owners in this spacing and proration unit identified on Exhibit A to this application.

3. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

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

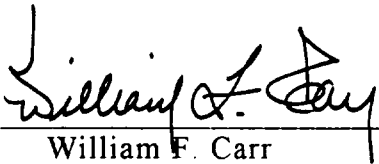
WHEREFORE, Holcomb Oil & Gas, Inc. requests that this application be set for hearing before an Examiner of the Oil Conservation Division on January 24, 2002, and, after notice and hearing as required by law, the Division enter its order:

- A. pooling all mineral interests in the subject spacing and proration unit,
- B. designating Holcomb Oil & Gas, Inc. operator of the unit and the well to be drilled thereon,
- C. authorizing Holcomb to recover its costs of drilling, equipping and completing the well,
- D. approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to COPAS accounting procedures,
- E. adopting provisions governing subsequent operations on this pooled unit,

F. providing for subsequent operations on the pooled acreage in accordance with the operating agreement between the parties.

Respectfully submitted,

HOLLAND & HART LLP

By: 
William F. Carr

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Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

ATTORNEYS FOR HOLCOMB OIL & GAS,
INC.

EXHIBIT A

**Holcomb Oil and Gas, Inc.
McCroden B1
1850' FSL, 1850'FWL, Sec. 4-T25N-R3W, NMPM
Rio Arriba County, New Mexico**

Energen Resources
2198 Bloomfield Highway
Farmington, NM 87401

Duer Wagner, III
30 Commerce Street, #293
Forth Worth, TX 76102

Hooper, Kimball & Williams
P. O. Box 52147
Tulsa, OK 74152-0147

Mountain Sates Natural Gas
P. O. Box 12323
Las Vegas, NV 89112

Trust of Warren Clark
P. O. Box 1846
Austin, TX 78700

Warren T. Clark Trust
P. O. Box 73
Austin, TX 78767

Mary Alice Gilliland
7420 Caruther
Dallas, TX 75225-0911

Ramona Sweet Rev. Trust
P. O. Box 1132
Tulsa, OK 74101

IBEX Partnership, Ltd.
P. O. Box 911
Breckenridge, TX 76424

Samson Resources Co.
Two West 2nd Street
Tulsa, OK 74103

William R. Gilliland
4411 Rawlins
Dallas, TX 75219

NM&O Operating Company
6 East Fifth, Suite 200
Tulsa, OK 74103

Clark & Oatman
P. O. Box 310
Bastrop, TX 78602

Holcomb Oil and Gas, Inc.
P. O. Box 2058
Farmington, NM 87499-2058

CASE 12799

Application of Holcomb Oil & Gas, Inc. for compulsory pooling Rio Arriba County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests in all formations from the surface through the base of the Pictured Cliffs formation in the SW/4 of Section 4, Township 25 North, Range 3 West, NMPM, Rio Arriba County, New Mexico for all formations and/or pools developed on 160-acre spacing which includes but is not necessarily limited to the Tapicito-Pictured Cliffs Gas Pool. This pooled unit is to be dedicated to the McCroden B Well No. 1 which is located at a standard location 1850 feet from the South and West lines of said Section 4. Also to be considered will be the cost of drilling and completing said well, the allocation of the cost thereof as well as actual operating costs and charges for supervision, and provisions governing subsequent operations on the pooled unit. Said area is located approximately 11 miles Northwest of Lindrith, New Mexico.