CAMPBELL & BLACK, P.A.

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April 9, 1991

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APH # 1991

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

OIL CONSERVATION DIVISION

Pase 10299

Re: In the Matter of the Application of Collins & Ware, Inc. for Compulsory Pooling, Lea County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the Application of Collins & Ware, Inc. in the above-referenced case. Collins & Ware, Inc. respectfully requests that this matter be placed on the docket for the May 2, 1991 Examiner hearings.

Very truly yours,

WILLIAM F. CARR

WFC:mlh Enclosure

cc w/enclosure: Mr. Bill Seltzer

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

7 0 0 1991

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

DIL CONSERVATION DIVISION

CASE NO. 10299

APPLICATION

COLLINS & WARE, INC., 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 of the mineral interests in all formations developed on 320-acre spacing in the N/2 of Section 13, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and in support thereof states:

- 1. Applicant owns or represents approximately 87.5% of the working interest in and under the N/2 of Section 13, and Applicant has the right to drill thereon.
- 2. Applicant proposes to dedicate the above-referenced pooled unit to a well to be drilled at an unorthodox location 990 feet from the North line and 1750 feet from the East line of said Section 13, to a depth of approximately 13,850 feet to test all formations to the base of the Morrow formation.
- 3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other interest owners in the N/2 of said Section 13, except for those working interest owners set out on Exhibit "A" to this application.

4. Applicant seeks an exception to the well location requirements of Division

Rule 104 to permit the drilling of this well at the above described unorthodox well

location.

5. Said pooling of interests will avoid the drilling of unnecessary wells, will

prevent waste and will protect correlative rights.

6. 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 of the well to be drilled.

WHEREFORE, Applicant prays that this application be set for hearing before an

Examiner of the Oil Conservation Division on May 2, 1991 and, after notice and hearing

as required by law, the Division 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, and approving an unorthodox location for this well.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

WILLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR COLLINS

& WARE, INC.

EXHIBIT A

Glenna V. Anderson 1737 Antigua Way Newport Beach, CA 92660

A.W. Dugan 1415 Louisiana, Suite 3100 Houston, Texas 77002

Grace Margaret Bads 4367 Deerpark Court Westlake Village, CA 91361

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Todd M. Wilson 3608 S. County Road 1184 Midland, TX 79701

Anadarko Petroleum Corp. Post Office Box 2497 Midland, TX 79702 Attn: Mr. Michael R. Goode

Betty F. Hayes 605 Southern Building Washington, DC 20005

William W. Saunders 606 Ridgemont San Antonio, TX 78209

Culberson Management Trust Post Office Box 2918 Midland, TX 79702

Carol Day 1007 Sylvan Meadows Drive Modesto, CA 95356 Fred T. Newcomb 6834 Variel, No. 28 Canoga Park, CA 91303

Scope Energy Resources 233 Wilshire Blvd., Suite 790 Santa Monica, CA 90401 Attn: Mr. William H. Mannon

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Mitchell Energy Corp. 400 W. Illinois, Suite 1000 Midland, TX 79701 Attn: Mr. Steve Smith

Hondo Oil & Gas Company Post Office Box 2208 Roswell, NM 88202 Attn: Mr. Ricky D. Raindl Collins & Ware, Inc. 600 W. Illinois, Suite 701 Midland, TX 79701 Attn: Mr. Brett Smith

Richard Barr 4307 Valley Drive Midland, TX 79705

Santa Fe Energy 500 W. Illinois, 6th Floor Midland, TX 79701 Attn: Mr. Gary Green

OXY U.S.A. Inc. Post Office Box 50250 Midland, TX 79710 Attn: Mr. Pat McGee

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Michael Klein 500 W. Texas, Suite 1230 Midland, TX 79701

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April 10, 1991

HAND-DELIVERED

RECERTO

William J. LeMay, Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources State Land Office Building Santa Fe, New Mexico 87503

APR 1 0 1991

OIL CONSERVATION UIV. SANTA FE

Case 10299

Re: In the Matter of the Amended Application of Collins & Ware, Inc. for Compulsory Pooling and an Unorthodox Well Location, Lea County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the Amended Application of Collins & Ware, Inc. in the above-referenced case. Collins & Ware, Inc. respectfully requests that this matter be placed on the docket for the May 2, 1991 Examiner hearings.

Very truly yours,

WILLIAM F. CARR

WFC:mlh Enclosure

cc w/enclosure:

Mr. Bill Seltzer

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

RECERTION

IN THE MATTER OF THE APPLICATION OF COLLINS & WARE, INC. FOR COMPULSORY POOLING, AND AN UNORTHODOX WELL LOCATION, LEA COUNTY, NEW MEXICO.

APR 1 0 1991

OIL CONSERVATION DIV SANTA FE CASE NO. 10299

AMENDED APPLICATION

COLLINS & WARE, INC., 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 of the mineral interests in all formations developed on 320-acre spacing in the N/2 of Section 13, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and for an unorthodox well location and in support thereof states:

- 1. Applicant owns or represents approximately 87.5% of the working interest in and under the N/2 of Section 13, and Applicant has the right to drill thereon.
- 2. Applicant proposes to dedicate the above-referenced pooled unit to a well to be drilled at an unorthodox location 990 feet from the North line and 1750 feet from the East line of said Section 13, to a depth of approximately 13,850 feet to test all formations to the base of the Morrow formation.
- 3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other interest owners in the N/2 of said Section 13, except for those working interest owners set out on Exhibit "A" to this application.

Applicant seeks an exception to the well location requirements of Division 4.

Rule 104 to permit the drilling of this well at the above described unorthodox well

location.

5. Said pooling of interests will avoid the drilling of unnecessary wells, will

prevent waste and will protect correlative rights.

6. 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 of the well to be drilled.

WHEREFORE, Applicant prays that this application be set for hearing before an

Examiner of the Oil Conservation Division on May 2, 1991 and, after notice and hearing

as required by law, the Division 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

By:

the well, and approving an unorthodox location for this well.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

WILLIAM F. CARR Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR COLLINS

& WARE, INC.

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