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December 28, 1988

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OIL CONSERVATION DIVISION

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

Case 9585

Re: In the Matter of the Application of Stevens Operating
Corporation for Compulsory Pooling, Chaves County, New
Mexico

Dear Mr. LeMay:

Enclosed is an Application of Stevens Operating Corporation in the
above-referenced case. Stevens Operating Corporation respectfully
requests that this matter be placed on the docket for the Examiner
hearings scheduled on January 18, 1989.

Very truly yours,


WILLIAM F. CARR

WFC:mlh

Enclosures

cc w/enclosures: Mr. Don Stevens
Stevens Operating Corporation
Post Office Box 2408
Roswell, New Mexico 88201

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DEC 28 1988

BEFORE THE

OIL CONSERVATION DIVISION

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF
STEVENS OPERATING CORPORATION FOR COMPULSORY
POOLING, CHAVES COUNTY, NEW MEXICO.

CASE NO. 9585

APPLICATION

COMES NOW STEVENS OPERATING CORPORATION, by and through its undersigned attorneys, and as provided by Section 70-2-17, N.M.S.A. (1978), hereby makes application to the Oil Conservation Division for an order pooling all of the minerals interests in any and all formations developed on 160-acre spacing unit in and under the NE/4 of Section 32, Township 6 South, Range 26 East, N.M.P.M., Chaves County, New Mexico, and in support thereof would show the Division:

1. Applicant owns or represents approximately 95.3% of the working interest in and under the NE/4 of Section 32, and Applicant has the right to drill thereon.

2. Applicant proposes to dedicate the above-referenced pooled unit to its Gessert Well No. 1 to be drilled at a standard location in said Section 32, to a depth of approximately 4,400 feet to test all formations to the base of the Abo formation.

3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other interest owners in the NE/4 of Section 32, except for Pearl Young, address unknown, owner of a 4.7% working interest.

4. Said pooling of interests 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 of 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 January 18, 1989, and that 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 making such other and further provisions as may be proper in the premises.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By: 

WILLIAM F. CARR
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

ATTORNEYS FOR STEVENS OPERATING
CORPORATION

CASE _____:

Application of Stevens Operating Corporation for compulsory pooling, Chaves County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests in any and all formations developed on 160-acre spacing unit in and underlying the NE/4 of Section 32, Township 6 South, Range 26 East, _____

Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately _____ miles _____, New Mexico.