

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
J. SCOTT HALL
PETER N. IVES
JOHN H. BEMIS
MARTE D. LIGHTSTONE

GUADALUPE PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

February 23, 1988

HAND DELIVERED

Florine Davidson
NMOCD
State Land Office Bldg.
Santa Fe, New Mexico 87501

Case 9333

Re: Applications of Terra Resources, Inc.

Dear Florine:

Enclosed is the information for two cases we request
to be advertised for the March 16, 1988 docket.

Please let me know if there are any problems.

Very truly yours,

Scott

J. Scott Hall

JSH/dmg

encl.

RECEIVED

FEB 23 1988

OIL CONSERVATION DIVISION

RECEIVED

23 1988
BEFORE THE
NEW MEXICO OIL CONSERVATION DIVISION
OIL CONSERVATION DIVISION DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION OF
TERRA RESOURCES, INC. FOR COMPULSORY
POOLING AND UNORTHODOX WELL LOCATION,
CHAVES COUNTY, NEW MEXICO

CASE NO. 9332

APPLICATION

Terra Resources, Inc., through its undersigned counsel, applies for an order pooling all mineral interests for the surface to the base of the Atoka Morrow Formation underlying the E/2 of Section 22, T-14 S, R-27 E, N.M.P.M., Chaves County, New Mexico. Applicant also seeks an unorthodox well location and in support states:

1. Applicant proposes to dedicate the above referenced pooled unit to its Federal Comm. 22 Well No. 1 to be drilled at a proposed unorthodox gas well location 330' FSL and 330' FEL of said Section 22 to a depth adequate to test the Atoka-Morrow formation.

2. A standard 320 acre gas spacing and proration unit is proposed to be dedicated to the well.


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

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, the unorthodox well location should be granted 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 March 16, 1988, and that after notice and hearing as required by law, the Division enter its order pooling the lands and approving the unorthodox well location. Also to be considered will be the cost 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 the risk involved in drilling said well.

Respectfully submitted:

CAMPBELL & BLACK, P.A.

By 

J. Scott Hall
P.O. Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421

County Chaves Pool Alaka - Morrow Formations ^{See the}

TOWNSHIP 14 South Range 27 East NMPM

