

O'BRIANT ENGINEERING
316 BUILDING OF THE SOUTHWEST
MIDLAND, TEXAS 79701
915 - 683-3172
915 - 683-5511

May 21, 1980

NSL-1203
Rule 104 F
June 16, 1980
wildcat
Wolfconn - Penn fur
E/2 Sec 5

Director
Oil Conservation Division
New Mexico Energy and Minerals Department
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Coronado Exploration Corporation's application for administrative approval of an unorthodox location for well No. 2 Carthel Federal to be located 2030 feet from the north line and 2080 feet from the east line of Section 5, T.23 S., R.29 E., Eddy County, New Mexico is attached.

All operators offsetting the spacing unit for this well have been notified by certified mail of this application. A list of the offset operators is attached.

Your favorable consideration of this application will be appreciated.

Yours very truly,

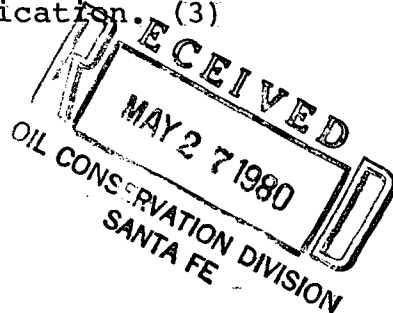
James F. O'Briant

James F. O'Briant

JFO:cf

Attachments:

1. List of offset operators. (3)
2. Application. (3)



LIST OF OPERATORS

OFFSETTING

EAST HALF SEC. 10, T.23 S., R.29 E.

EDDY COUNTY, NEW MEXICO

Amoco Production Company
P. O. Box 3092
Houston, Texas 77001

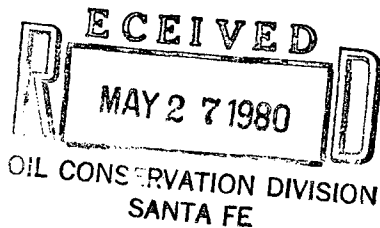
Hershel and Chester Carthel
Route 2, Box 1
Lockney, Texas 79241

Richardson and Bass
c/o Bass Enterprises Production Company
P. O. Box 2760
Midland, Texas 79702

Richardson Oils, Inc.
c/o Bass Enterprises Production Company
P. O. Box 2760
Midland, Texas 79702

Dow Chemical Co., USA
Oil and Gas Division
P. O. Box 22468
Houston, Texas 77001

Hayes Oil Company
P. O. Box 2156
Midland, Texas 79702



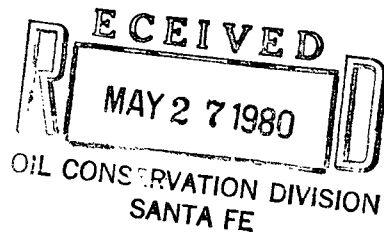
APPLICATION TO
NEW MEXICO OIL CONSERVATION DIVISION

FOR
AN UNORTHODOX LOCATION

FOR
CORONADO EXPLORATION CORPORATION
WELL NO. 2 CARTEL FEDERAL

TO BE LOCATED

2030' FNL & 2080' FEL SEC. 5, T. 23 S., R. 29 E.
EDDY COUNTY, NEW MEXICO



APPLICATION:

For administrative approval of an unorthodox location, because of topographical conditions, for Coronado Exploration Corporation's well No. 2 Carthel Federal to be located 2030 feet from the north line and 2080 feet from the east line of Section 5, T.23 S., R.29 E., Eddy County, New Mexico. The well is a proposed 13,600 foot Morrow test on Federal oil and gas lease NM 0556291 with the east half of Section 5 to be dedicated to the well.

REASONS FOR REQUEST:

There is not sufficient room for drilling equipment at a regular location 1980 feet from the north and east lines of Section 5 because of large gullies north and east of the well location.

Exhibit "A" is a plat showing the well location with respect to roads in the area and the railroad. This plat also shows the spacing unit to be dedicated to the well and ownership of offsetting leases.

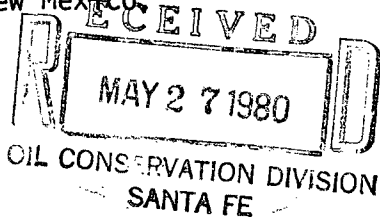
Exhibit "B" is a portion of a topographic map (Carlsbad Quadrangle) showing Section 5, T.23 S., R.29 E.

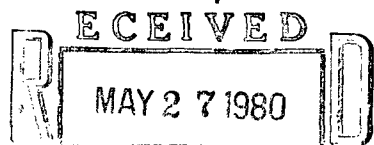
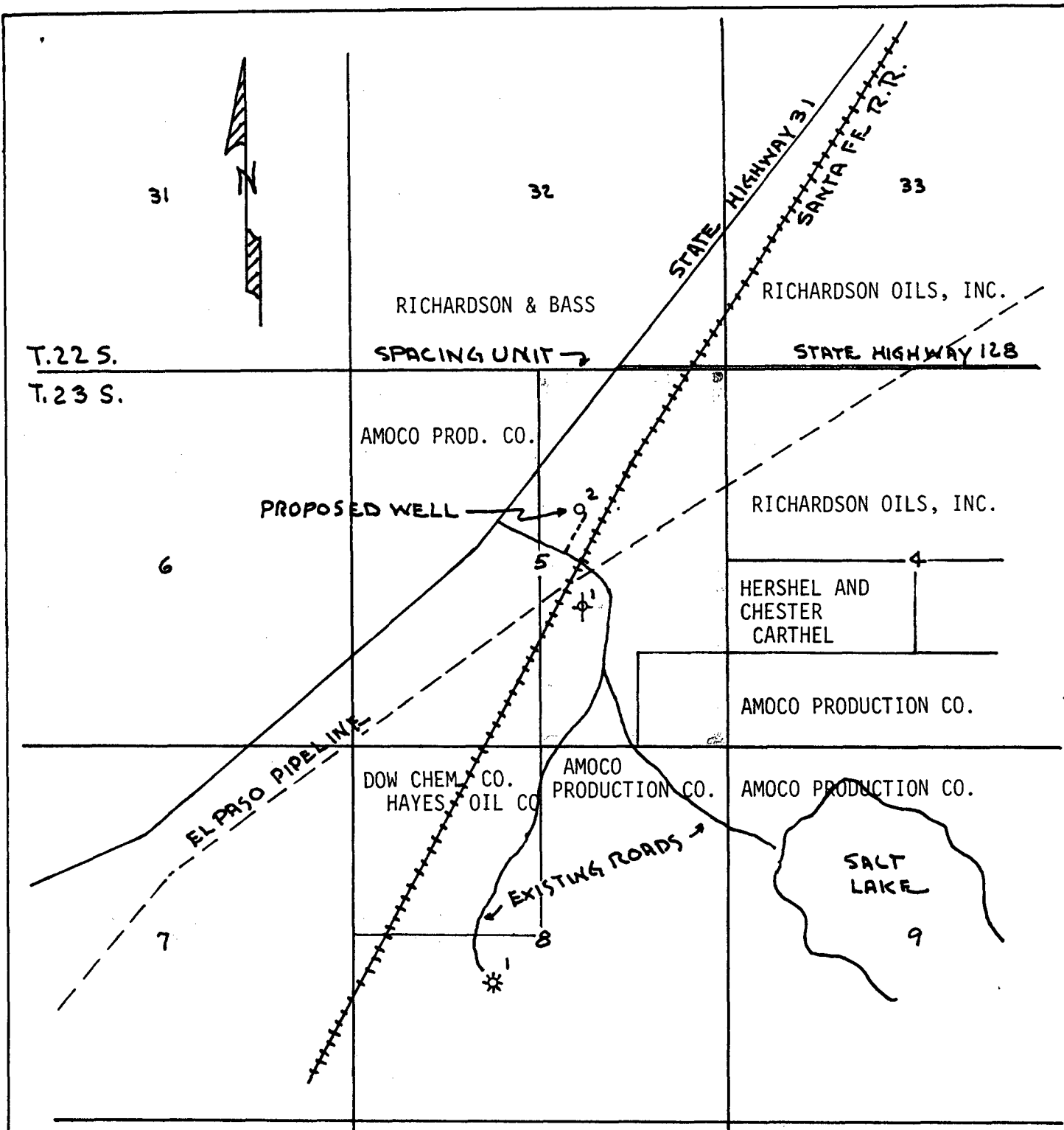
Exhibit "C" shows the well pad and pit area with respect to the two major gullies in the area when the well location is staked at a regular location 1980 feet from the north and east lines of Section 5. Moving the well location south merely moves the well site closer to the east gully.

Ground surface in the immediate area of the proposed well site is relatively level with a gentle slope southeast toward the railroad. Top soil is unconsolidated and readily susceptible to erosion. The gully north of the well site is 5 to 6 feet deep and 8 to 10 feet wide at the top. The gully on the east is 2 to 3 feet deep and 30 to 35 feet wide.

In order to avoid the gullies and have sufficient room for drilling equipment, it is proposed to make the location 2030 feet from the north line and 2080 feet from the east line of Section 5 and to rotate the rig layout 45 degrees counter-clockwise as shown in Exhibit "D".

In view of the above, Coronado Exploration Corporation respectfully requests exception to Section B of Rule 104 to permit drilling well No. 2 Carthel at an unorthodox location 2030 feet from the north line and 2080 feet from the east line of Section 5, T.23 S., R.29 E., Eddy County, New Mexico.



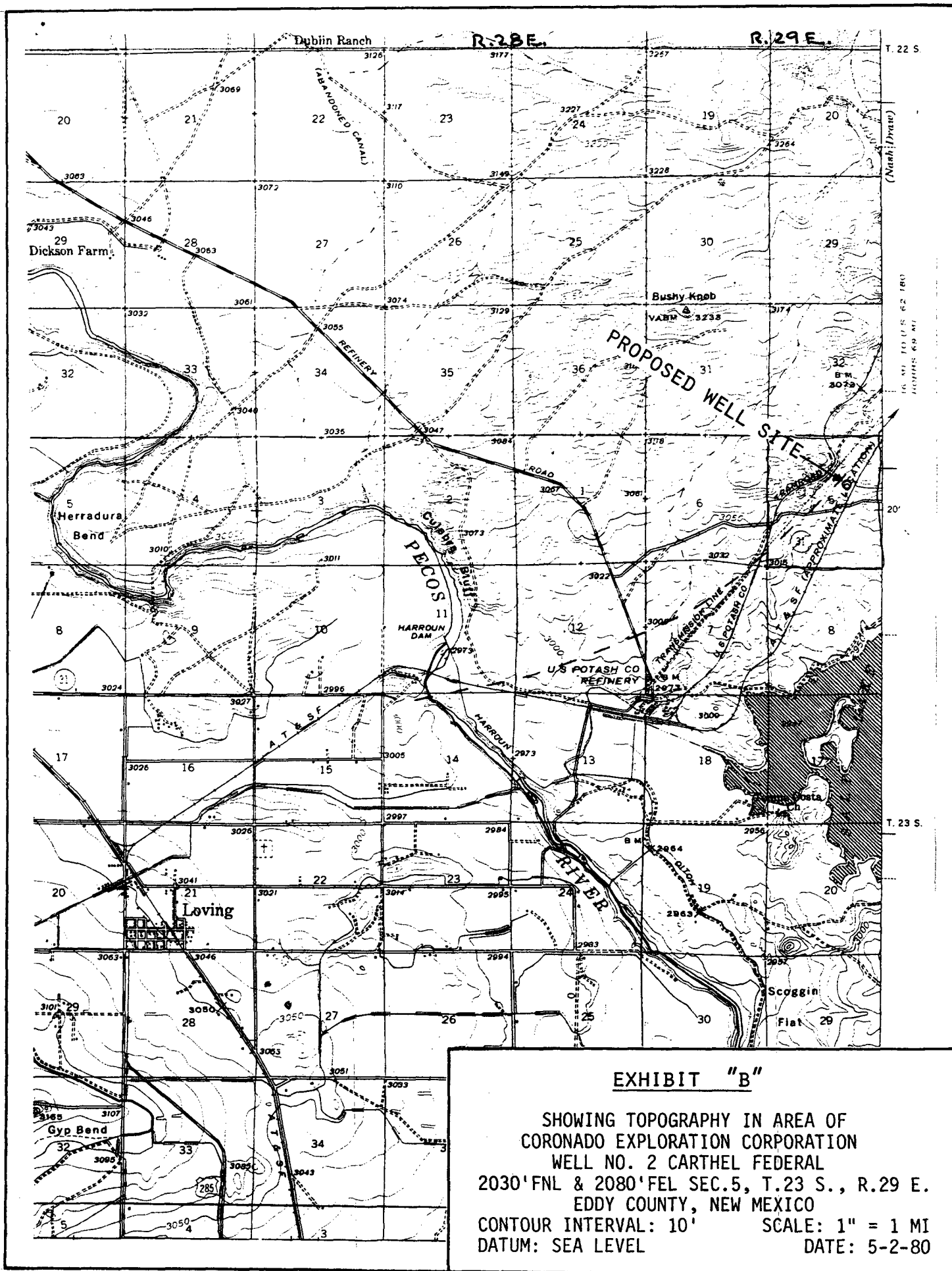


OIL CONSERVATION DIVISION
SANTA FE

EXHIBIT "A"

CORONADO EXPLORATION CORPORATION
WELL NO. 2 CARTHEL FEDERAL
2030' FNL & 2080' FEL SEC. 5, T. 23 S., R. 29 E.
EDDY COUNTY, NM

SCALE: 1" = 2000'



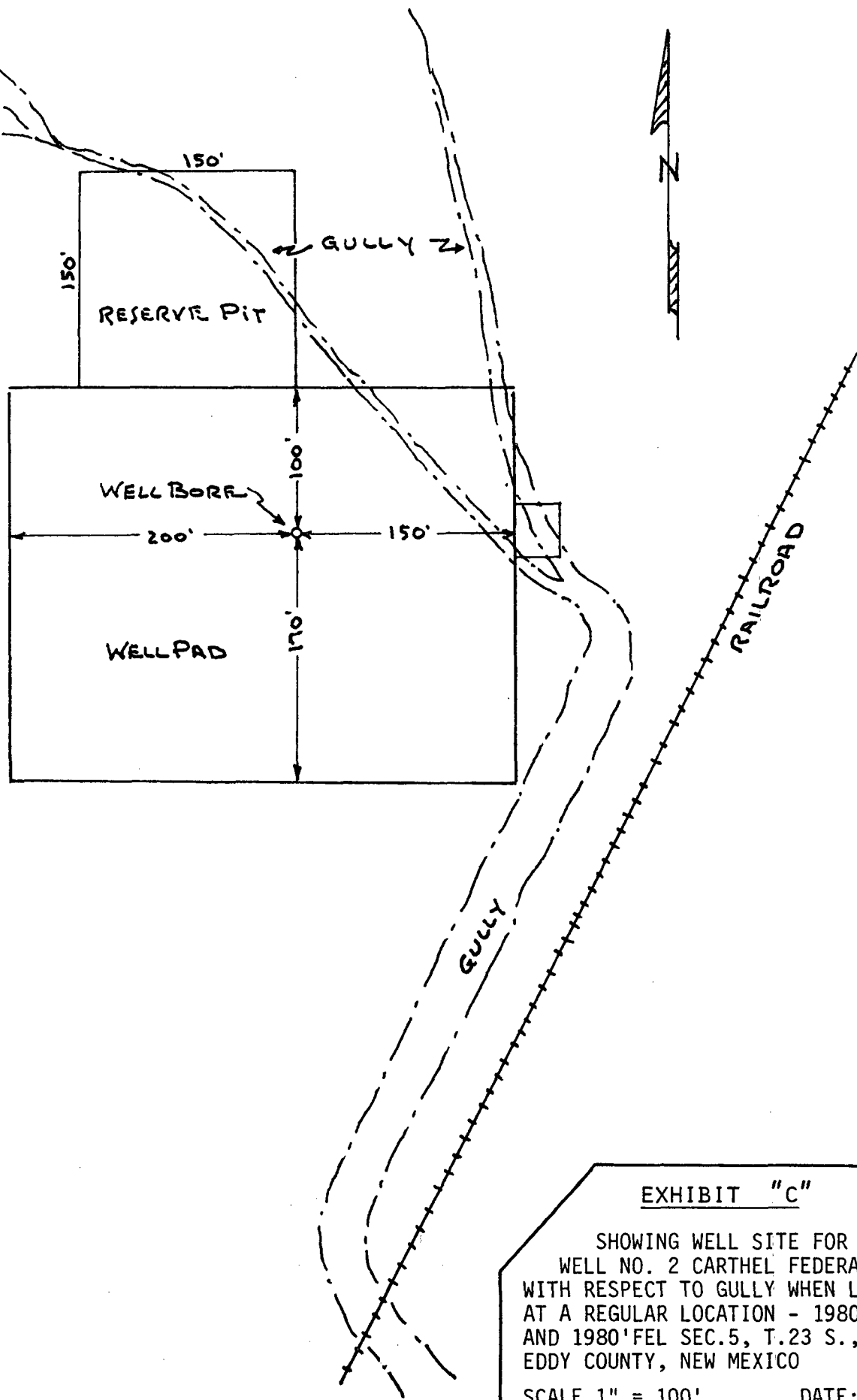
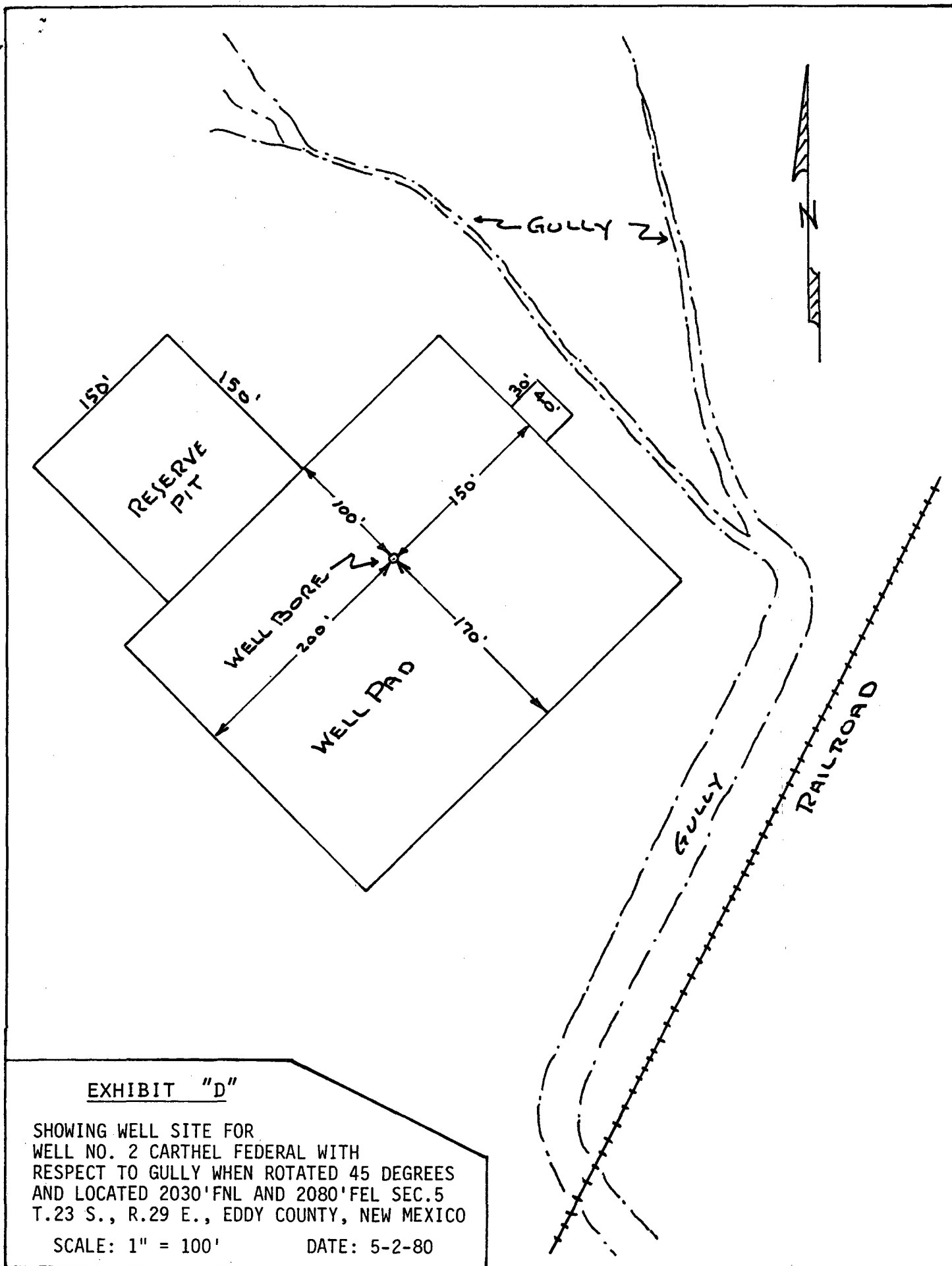


EXHIBIT "C"

SHOWING WELL SITE FOR
WELL NO. 2 CARTHTEL FEDERAL
WITH RESPECT TO GULLY WHEN LOCATED
AT A REGULAR LOCATION - 1980' FNL
AND 1980' FEL SEC. 5, T. 23 S., R. 29 E.,
EDDY COUNTY, NEW MEXICO

SCALE 1" = 100'

DATE: 5-2-80



O'BRIANT ENGINEERING

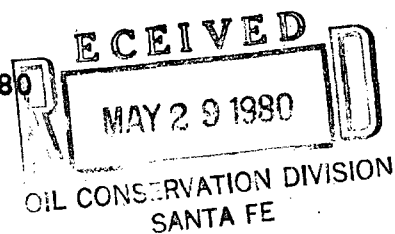
318 BUILDING OF THE SOUTHWEST

MIDLAND, TEXAS 79701

915 - 683-3172

915 - 683-5511

May 21, 1980



Hershel and Chester Carthel
Route 2, Box 1
Lockney, Texas 79241

Gentlemen:

This is to inform you, pursuant to the requirements of Section F, Rule 104, Rules and Regulations of the New Mexico Oil Conservation Division, that Coronado Exploration Corporation is filing an application with the Division for administrative approval of an unorthodox location for well No. 2 Carthel Federal to be located 2030 feet from the north line and 2080 feet from the east line of Section 5, T.23 S., R.29 E., Eddy County, New Mexico. A copy of the application is attached.

We respectfully request that you waive objection to the unorthodox location and to so indicate by signing one copy of this letter and mailing it to:

Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Your favorable consideration of this request will be appreciated.

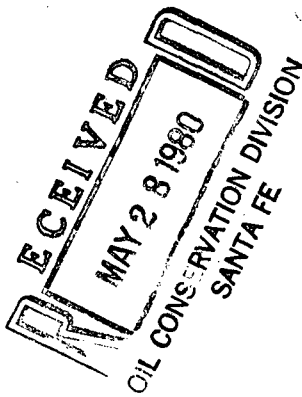
Yours very truly,

James F. O'Briant

NO OBJECTION OFFERED.

By: Hershel Carthel - Chester Carthel

Date: 5-25-1979



O'BRIANT ENGINEERING
316 BUILDING OF THE SOUTHWEST
MIDLAND, TEXAS 79701
915 - 683-3172
915 - 683-5511

May 21, 1980

Hayes Oil Company
P. O. Box 2156
Midland, Texas 79702

Gentlemen:

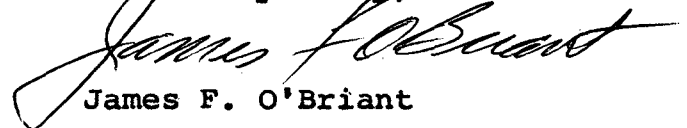
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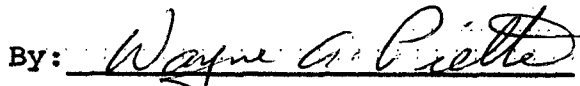
Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Your favorable consideration of this request will be appreciated.

Yours very truly,

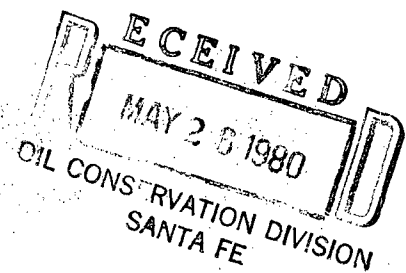

James F. O'Briant

NO OBJECTION OFFERED.

By: 

Date: 5-26-80

O'BRIANT ENGINEERING
315 BUILDING OF THE SOUTHWEST
MIDLAND, TEXAS 79701
915 - 683-3172
915 - 683-5511



May 21, 1980

Richardson and Bass
c/o Bass Enterprises Production Company
P. O. Box 2760
Midland, Texas 79702

Gentlemen:

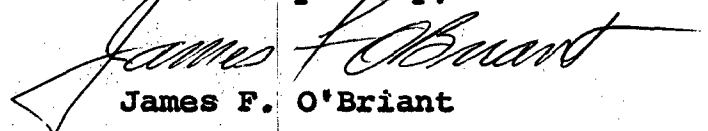
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Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Your favorable consideration of this request will be appreciated.

Yours very truly,


James F. O'Briant

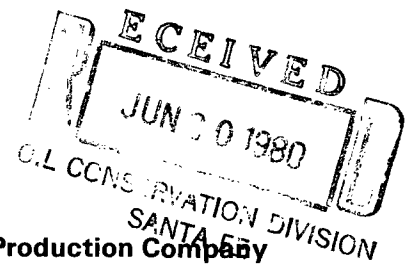
NO OBJECTION OFFERED.

By: 

Date: 5-22-80



File
154 - 1203



Amoco Production Company

Houston Region
500 Jefferson Building
Post Office Box 3092
Houston, Texas 77001

J. R. Barnett
Regional Engineering
Manager

June 17, 1980

File: JCA-986.51TX-2473

Re: Unorthodox Location
Carthel Federal Well No. 2
Eddy County, New Mexico

Joe D. Ramey - Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Ramey:

Coronado Exploration Corporation is filing an application for administrative approval of an unorthodox location for Well No. 2 Carthel Federal to be located 2030 feet from the north line and 2080 feet from the east line of Section 5, T-23-S, R-29-E, Eddy County, New Mexico. This unorthodox location is necessary due to topographical conditions.

Amoco Production Company has no objection to this unorthodox location.

Yours very truly,

J. R. Barnett
mlc

MLC/cf
329/F