

CASE 6934: CORONADO EXPLORATION CORPO-
RATION FOR THREE COMPULSORY POOLINGS,
CHAVES COUNTY, NEW MEXICO.

CASE NO.

6934

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

August 6, 1980

Mr. Joel M. Carson
Losee, Carson & Dickerson
Attorneys at Law
Post Office Box 239
Artesia, New Mexico 88210

Re: CASE NO. 6934
ORDER NO. R-6407

Applicant:

Coronado Exploration Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

~~Yours very truly,~~

JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD	<u>x</u>
Artesia OCD	<u>x</u>
Aztec OCD	

Other

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6934
Order No. R-6407

APPLICATION OF CORONADO EXPLORATION
CORPORATION FOR THREE COMPULSORY
POOLINGS, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 9, 1980,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 5th day of August, 1980, the Division
Director, having considered the record and the recommendations
of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be
granted.

IT IS THEREFORE ORDERED:

That Case No. 6934 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director


SEAL
rd/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
9 July 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Coronado Exploration) CASE
Corporation for three compulsory) 6934
poolings, Chaves County, New Mexico.)

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation	Ernest L. Padilla, Esq.
Division:	Legal Counsel to the Division
	State Land Office Bldg.
	Santa Fe, New Mexico 87501

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7449

1 MR. NUTTER: Call next Case Number 6934.
2
3 MR. PADILLA: Application of Coronado
4 Exploration Corporation for three compulsory poolings, Chaves
5 County, New Mexico.

6 MR. NUTTER: Applicant in this case has
7 requested dismissal.

8 Case Number 6934 will be dismissed.

9 (Hearing concluded.)

SALLY W. BOYD, C.S.R.
Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 435-7409

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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR.

SALLY W. BOYD, C.S.R.
Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-409

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 6934 heard by me on 7/9 1980.
[Signature], Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
9 July 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Coronado Exploration
Corporation for three compulsory
poolings, Chaves County, New Mexico.

CASE
6934

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

SALLY W. BOYD, C.S.R.

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MR. NUTTER: Call next Case Number 6934.

MR. PADILLA: Application of Coronado
Exploration Corporation for three compulsory poolings, Chaves
County, New Mexico.

MR. NUTTER: Applicant in this case has
requested dismissal.

Case Number 6934 will be dismissed.

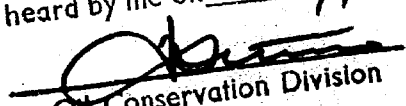
(Hearing concluded.)

SALLY W. BOYD, C.S.R.
Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript is
a full, true, and correct record of the hearing, prepared by
me to the best of my ability.

SALLY W. BOYD, C.S.R.
Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6734
heard by me on 7/9 1980.
 Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
25 June 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Coronado Exploration)
Corporation for three compulsory) CASE
poolings, Chaves County, New Mexico.) 6934

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

1 MR. STAMETS: Call next Case 6934.

2 MR. PADILLA: Application of Coronado
3 Exploration Corporation for three compulsory poolings, Chaves
4 County, New Mexico.

5 MR. STAMETS: At the request of the
6 applicant this case will be continued to the July 9th Examiner
7 Hearing.

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9 (Hearing concluded.)
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SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 6934 heard by me on 6-25 1980.
Richard L. Hunt, Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
25 June 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Coronado Exploration) CASE
Corporation for three compulsory) 6934
poolings, Chaves County, New Mexico.)

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

SALLY W. BOYD, C.S.R.

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MR. STAMETS: Call next Case 6934.

MR. PADILLA: Application of Coronado
Exploration Corporation for three compulsory poolings, Chaves
County, New Mexico.

MR. STAMETS: At the request of the
applicant this case will be continued to the July 9th Examiner
Hearing.

(Hearing concluded.)

SALLY W. BOYD, C.S.R.
Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 435-7409

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. _____, heard by me on _____ 19____.

_____, Examiner
Oil Conservation Division

Dockets Nos. 22-80 and 23-80 are tentatively set for July 23 and August 6, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 9, 1980

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 6953: Application of Gulf Oil Corporation for an unorthodox location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of a previously approved 240-acre non-standard gas proration unit comprising the NE/4 and E/2 NW/4 of Section 17, Township 20 South, Range 37 East, Eumont Gas Pool, to its Theodore Anderson Well No. 4 located in Unit 8, and its No. 7, at an unorthodox location 1980 feet from the North line and 660 feet from the East line of Section 17.

CASE 6954: Application of Harvey E. Yates Company for amendment of Order No. R-6303, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-6303 which authorized the directional drilling of a well, the surface location of which is 660 feet from the North line and 1980 feet from the West line of Section 32, Township 13 South, Range 36 East. Applicant seeks approval for the bottom hole location of the well at a point 654 feet from the North line and 2158 feet from the West line of said Section 32.

CASE 6921: (Readvertised)

Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Mississippian formations underlying the S/2 of Section 33, Township 13 South, Range 36 East, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the South line and 990 feet from the East line of Section 33. 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.

CASE 6932: (Continued from June 25, 1980, Examiner Hearing)

Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its State "JM" Well No. 2, a Morrow test to be drilled 660 feet from the South and East lines of Section 25, Township 18 South, Range 24 East, the S/2 of said Section 25 to be dedicated to the well.

CASE 6934: (Continued from June 25, 1980, Examiner Hearing)

Application of Coronado Exploration Corporation for three compulsory poolings, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying three 40-acre proration units, being the NW/4 SE/4 of Section 6, the NE/4 SE/4 of Section 28, and the SW/4 NW/4 of Section 33, all in Township 11 South, Range 28 East, each to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a charge for risk involved in drilling said wells.

CASE 6955: Application of El Paso Natural Gas Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Tropic Pictured Cliffs and Blanco Mesaverde production in the wellbore of its San Juan 27-5 Unit Well No. 42 located in Unit M of Section 22, Township 27 North, Range 5 West.

CASE 6956: Application of Amoco Production Company for an NGPA determination, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Morrow formation for its State "CH" Well No. 1 located in Unit F of Section 21, Township 16 South, Range 35 East.

CASE 6957: Application of Amoco Production Company for an NGPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Morrow formation for its State HK Com Well No. 1 located in Unit L of Section 6, Township 24 South, Range 25 East.

Dockets Nos. 20-80 and 21-80 are tentatively set for July 9 and 23, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 25, 1980

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 6891: (Readvertised)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Midwest Refining Company, United States Fidelity & Guaranty Company, and all other interested parties to appear and show cause why the State Well No. 1 located in Unit A of Section 16, Township 33 South, Range 14 West, Hidalgo County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6929: Application of Consolidated Oil & Gas, Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blanco Mesaverde and Basin-Dakota production in the wellbore of its NCRA Well No. 1-E located in Unit G of Section 22, Township 26 North, Range 7 West, by using the Dakota gas for gas lift of Mesaverde liquids after metering on the surface.

CASE 6930: Application of Amoco Production Company for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Empire South Deep Unit Well No. 21 to be drilled 660 feet from the North and East lines of Section 36, Township 17 South, Range 28 East, the E/2 of said Section 36 to be dedicated to the well.

CASE 6931: Application of H. L. Harvey for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Aztec-Fruitland and Bloomfield-Farmington production in the wellbore of his Jones Well No. 3 located in Unit B of Section 13, Township 29 North, Range 11 West.

CASE 6917: (Continued from June 4, 1980, Examiner Hearing)

Application of Yates Petroleum Corporation for an NGPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination for its Goat Roper "B" Com. Well No. 1 located in Unit F of Section 30, Township 17 South, Range 26 East.

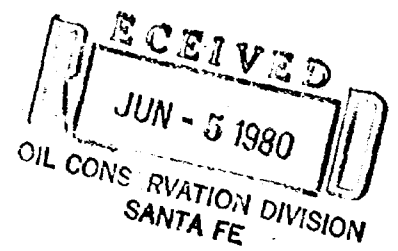
CASE 6932: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its State "JM" Well No. 2, a Morrow test to be drilled 660 feet from the South and East lines of Section 25, Township 18 South, Range 24 East, the S/2 of said Section 25 to be dedicated to the well.

CASE 6933: Application of Yates Petroleum Corporation for two compulsory poolings, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying two 320-acre proration units, being the N/2 and the S/2 of Section 2, Township 19 South, Range 25 East, each to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a charge for risk involved in drilling said wells.

CASE 6934: Application of Coronado Exploration Corporation for three compulsory poolings, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying three 40-acre proration units, being the NW/4 SE/4 of Section 6, the NE/4 SE/4 of Section 28, and the SW/4 NW/4 of Section 33, all in Township 11 South, Range 28 East, each to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a charge for risk involved in drilling said wells.

CASE 6901: (Continued from May 21, 1980, Examiner Hearing)

Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp thru Mississippian formations underlying the E/2 of Section 19, Township 14 South, Range 36 East, to be dedicated to a well to be drilled at a standard location thereon. 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.



BEFORE THE OIL CONSERVATION DIVISION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CORONADO EXPLORATION CORPORATION FOR
COMPULSORY POOLING, CHAVES COUNTY,
NEW MEXICO

CASE NO. 6934

APPLICATION

COMES NOW CORONADO EXPLORATION CORPORATION, by its attorneys, and in support hereof, respectfully states:

1. Applicant has the right to drill its Louise No. 1 Well in the San Andres formation as an oil well, which is to be located at a point 1,980 feet from the South line and 660 feet from the East line of Section 28, Township 11 South, Range 28 East, N.M.P.M., Chaves County, New Mexico.

2. The applicant has dedicated the NE/4 SE/4 of said section to this well, and there are interest owners in the pro-ration unit who have not agreed to pool their interests. These interest owners are:

Tenneco
6800 Park Ten Blvd.
Suite 200 North
San Antonio, Texas 78213

Selma Andrews Trust #5188-00
c/o E. L. Gamble
Republic National Bank
P. O. Box 241
Dallas, Texas 75222

White Ranch Minerals, Ltd.
and Francisca Winston Trust
and Frederick Winston Trust
c/o Mr. James Wyman
2108 Foshay Tower
Minneapolis, Minnesota 55402

3. Applicant should be designated the operator of the well and the proration unit.

4. To avoid the drilling of unnecessary wells, to protect correlative rights and to afford to the owner of each interest in said unit the opportunity to recover or receive without unnecessary expense his just and fair share of the oil in said unit, all mineral interests, whatever they may be, from the surface through the San Andres formation underlying the NE/4 SE/4 of said Section 28, should be pooled.

5. That any non-consenting working interest owner that does not pay his share of estimated well costs should have withheld from production his share of the reasonable well costs, plus an additional 200% thereof as a reasonable charge for the risk involved in the drilling of the well.

6. Applicant should be authorized to withhold from production the proportionate share of a reasonable supervision charge for drilling and producing wells attributable to each non-consenting working interest owner.

WHEREFORE, applicant prays that:

A. This application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. Upon hearing the Division enter its order pooling all mineral interests, whatever they may be, from the surface through the San Andres formation underlying the NE/4 SE/4 of said Section 28, Township 11 South, Range 28 East, N.M.P.M., Chaves County, New Mexico, to form a 40-acre spacing unit dedicated to applicant's well.

C. And for such other relief as may be just in the premises.

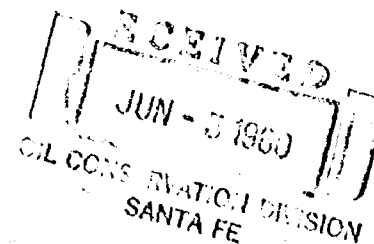
CORONADO EXPLORATION CORPORATION

By: 

Joel M. Carson

LOSEE, CARSON & DICKERSON, P.A.
P. O. Drawer 239
Artesia, New Mexico 88210

Attorneys for Applicant



BEFORE THE OIL CONSERVATION DIVISION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CORONADO EXPLORATION CORPORATION FOR
COMPULSORY POOLING, CHAVES COUNTY,
NEW MEXICO

CASE NO. 6934

APPLICATION

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2. The applicant has dedicated the NE/4 SW/4 of said section to this well, and there are interest owners in the production unit who have not agreed to pool their interests. These interest owners are:

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San Antonio, Texas 78213

Selma Andrews Trust #5188-00
c/o E. L. Gamble
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White Ranch Minerals, Ltd.
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and Frederick Winston Trust
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3. Applicant should be designated the operator of the well and the proration unit.

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WHEREFORE, applicant prays that:

A. This application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. Upon hearing the Division enter its order pooling all mineral interests, whatever they may be, from the surface through the San Andres formation underlying the NE/4 SE/4 of said Section 28, Township 11 South, Range 28 East, N.M.P.M., Chaves County, New Mexico, to form a 40-acre spacing unit dedicated to applicant's well.

C. And for such other relief as may be just in the premises.

CORONADO EXPLORATION CORPORATION

By: 

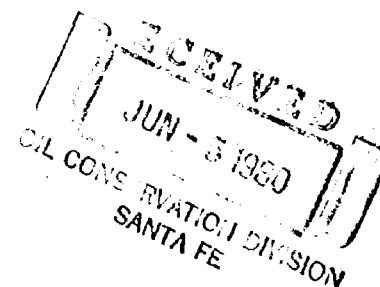
Joel M. Carson

LOSEE, CARSON & DICKERSON, P.A.

P. O. Drawer 239

Artesia, New Mexico 88210

Attorneys for Applicant



BEFORE THE OIL CONSERVATION DIVISION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CORONADO EXPLORATION CORPORATION FOR
COMPULSORY POOLING, CHAVES COUNTY,
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CASE NO. 6934

APPLICATION

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2. The applicant has dedicated the NE/4 SE/4 of said section to this well, and there are interest owners in the pro-ration unit who have not agreed to pool their interests. These interest owners are:

Tenneco
6800 Park Ten Blvd.
Suite 200 North
San Antonio, Texas 78213

Selma Andrews Trust \$5188-00
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3. Applicant should be designated the operator of the well and the proration unit.

4. To avoid the drilling of unnecessary wells, to protect correlative rights and to afford to the owner of each interest in said unit the opportunity to recover or receive without unnecessary expense his just and fair share of the oil in said unit, all mineral interests, whatever they may be, from the surface through the San Andres formation underlying the NE/4 SE/4 of said Section 28, should be pooled.

5. That any non-consenting working interest owner that does not pay his share of estimated well costs should have withheld from production his share of the reasonable well costs, plus an additional 200% thereof as a reasonable charge for the risk involved in the drilling of the well.

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WHEREFORE, applicant prays that:

A. This application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. Upon hearing the Division enter its order pooling all mineral interests, whatever they may be, from the surface through the San Andres formation underlying the NE/4 SE/4 of said Section 28, Township 11 South, Range 28 East, N.M.P.M., Chaves County, New Mexico, to form a 40-acre spacing unit dedicated to applicant's well.

C. And for such other relief as may be just in the premises.

CORONADO EXPLORATION CORPORATION

By: 

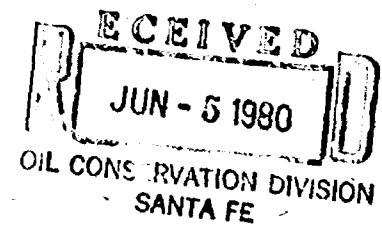
Joel M. Carson

LOSEE, CARSON & DICKERSON, P.A.

P. O. Drawer 239

Artesia, New Mexico 88210

Attorneys for Applicant



BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CORONADO EXPLORATION CORPORATION FOR
COMPULSORY POOLING, CHAVES COUNTY,
NEW MEXICO

CASE NO. 6934

APPLICATION

COMES NOW CORONADO EXPLORATION CORPORATION, by its attorneys, and in support hereof, respectfully states:

1. Applicant has the right to drill its Polly No. 1 Well in the San Andres formation as an oil well, which is to be located at a point 1,980 feet from the North line and 660 feet from the West line of Section 33, Township 11 South, Range 28 East, N.M.P.M., Chaves County, New Mexico.

2. The applicant has dedicated the SW/4 NW/4 of said section to this well, and there are interest owners in the production unit who have not agreed to pool their interests. These interest owners are:

Tenneco
6800 Park Ten Blvd.
Suite 200 North
San Antonio, Texas 78213

Selma Andrews Trust #5188-00
c/o E. L. Gamble
Republic National Bank
P. O. Box 241
Dallas, Texas 75222

White Ranch Minerals, Ltd.
and Francisca Winston Trust
and Frederick Winston Trust
c/o Mr. James Wyman
2108 Foshay Tower
Minneapolis, Minnesota 55402

3. Applicant should be designated the operator of the well and the proration unit.

4. To avoid the drilling of unnecessary wells, to protect correlative rights and to afford to the owner of each interest in said unit the opportunity to recover or receive without unnecessary expense his just and fair share of the oil in said unit, all mineral interests, whatever they may be, from the surface through the San Andres formation underlying the SW/4 NW/4 of said Section 33, should be pooled.

5. That any non-consenting working interest owner that does not pay his share of estimated well costs should have withheld from production his share of the reasonable well costs, plus an additional 200% thereof as a reasonable charge for the risk involved in the drilling of the well.

6. Applicant should be authorized to withhold from production the proportionate share of a reasonable supervision charge for drilling and producing wells attributable to each non-consenting working interest owner.

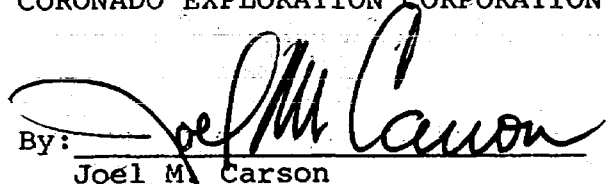
WHEREFORE, applicant prays that:

A. This application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. Upon hearing the Division enter its order pooling all mineral interests, whatever they may be, from the surface through the San Andres formation underlying the SW/4 NW/4 of said Section 33, Township 11 South, Range 28 East, N.M.P.M., Chaves County, New Mexico, to form a 40-acre spacing unit dedicated to applicant's well.

C. And for such other relief as may be just in the premises.

CORONADO EXPLORATION CORPORATION

By: 
Joel M. Carson

LOSEE, CARSON & DICKERSON, P.A.
P. O. Drawer 239
Artesia, New Mexico 88210

Attorneys for Applicant

BEFORE THE OIL CONSERVATION DIVISION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CORONADO EXPLORATION CORPORATION FOR
COMPULSORY POOLING, CHAVES COUNTY,
NEW MEXICO

CASE NO. 6934

APPLICATION

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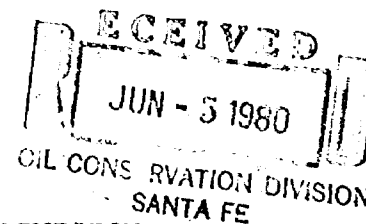
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Minneapolis, Minnesota 55402

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WHEREFORE, applicant prays that:

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B. Upon hearing the Division enter its order pooling all mineral interests, whatever they may be, from the surface through the San Andres formation underlying the SW/4 NW/4 of said Section 33, Township 11 South, Range 28 East, N.M.P.M., Chaves County, New Mexico, to form a 40-acre spacing unit dedicated to applicant's well.

C. And for such other relief as may be just in the premises.

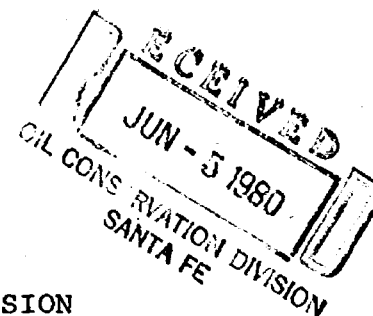
CORONADO EXPLORATION CORPORATION

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BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :
CORONADO EXPLORATION CORPORATION FOR :
COMPULSORY POOLING, CHAVES COUNTY, :
NEW MEXICO :

CASE NO. 6934

APPLICATION

COMES NOW CORONADO EXPLORATION CORPORATION, by its attorneys, and in support hereof, respectfully states:

1. Applicant has the right to drill its Sherrell No. 1 Well in the San Andres formation as an oil well, which is to be located at a point 2,310 feet from the East line and 2,310 feet from the South line of Section 6, Township 11 South, Range 28 East, N.M.P.M., Chaves County, New Mexico.

2. The applicant has dedicated the NW/4 SE/4 of said section to this well, and there are interest owners in the pro-ration unit who have not agreed to pool their interests. These interest owners are:

Tenneco
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c/o Mr. James Wyman
2108 Foshay Tower
Minneapolis, Minnesota 55402

3. Applicant should be designated the operator of the well and the proration unit.

4. To avoid the drilling of unnecessary wells, to protect correlative rights and to afford to the owner of each interest in said unit the opportunity to recover or receive without unnecessary expense his just and fair share of the oil in said unit, all mineral interests, whatever they may be, from the surface through the San Andres formation underlying the NW/4 SE/4 of said Section 6, should be pooled.

5. That any non-consenting working interest owner that does not pay his share of estimated well costs should have withheld from production his share of the reasonable well costs, plus an additional 200% thereof as a reasonable charge for the risk involved in the drilling of the well.

6. Applicant should be authorized to withhold from production the proportionate share of a reasonable supervision charge for drilling and producing wells attributable to each non-consenting working interest owner.

WHEREFORE, applicant prays that:

A. This application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. Upon hearing the Division enter its order pooling all mineral interests, whatever they may be, from the surface through the San Andres formation underlying the NW/4 SE/4 of said Section 6, Township 11 South, Range 28 East, N.M.P.M., Chaves County, New Mexico, to form a 40-acre spacing unit dedicated to applicant's well.

C. And for such other relief as may be just in the premises.

CORONADO EXPLORATION CORPORATION

By: 

Joel M. Carson

LOSEE, CARSON & DICKERSON, P.A.
P. O. Drawer 239
Artesia, New Mexico 88210

Attorneys for Applicant

RECEIVED
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OIL CONSERVATION DIVISION
SANTA FE

BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :
CORONADO EXPLORATION CORPORATION FOR :
COMPULSORY POOLING, CHAVES COUNTY, : CASE NO. 6934
NEW MEXICO :
_____ :

APPLICATION

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3. Applicant should be designated the operator of the well and the proration unit.

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5. That any non-consenting working interest owner that does not pay his share of estimated well costs should have withheld from production his share of the reasonable well costs, plus an additional 200% thereof as a reasonable charge for the risk involved in the drilling of the well.

6. Applicant should be authorized to withhold from production the proportionate share of a reasonable supervision charge for drilling and producing wells attributable to each non-consenting working interest owner.

WHEREFORE, applicant prays that:

A. This application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. Upon hearing the Division enter its order pooling all mineral interests, whatever they may be, from the surface through the San Andres formation underlying the NW/4 SE/4 of said Section 6, Township 11 South, Range 28 East, N.M.P.M., Chaves County, New Mexico, to form a 40-acre spacing unit dedicated to applicant's well.

C. And for such other relief as may be just in the premises.

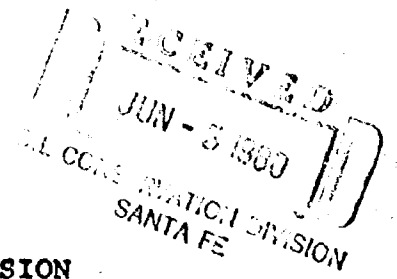
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By: 

Joel M. Carson

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Artesia, New Mexico 88210

Attorneys for Applicant



BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CORONADO EXPLORATION CORPORATION FOR
COMPULSORY POOLING, CHAVES COUNTY,
NEW MEXICO

CASE NO. 6934

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6. Applicant should be authorized to withhold from production the proportionate share of a reasonable supervision charge for drilling and producing wells attributable to each non-consenting working interest owner.

WHEREFORE, applicant prays that:

A. This application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. Upon hearing the Division enter its order pooling all mineral interests, whatever they may be, from the surface through the San Andres formation underlying the NW/4 SE/4 of said Section 6, Township 11 South, Range 28 East, N.M.P.M., Chaves County, New Mexico, to form a 80-acre spacing unit dedicated to applicant's well.

C. And for such other relief as may be just in the premises.

CORONADO EXPLORATION CORPORATION

By: 
Joel M. Carson

LOSEE, CARSON & DICKERSON, P.A.
P. O. Drawer 239
Artesia, New Mexico 88210

Attorneys for Applicant

DRAFT

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6934

Order No. R- 6407

APPLICATION OF CORONADO EXPLORATION
CORPORATION FOR THREE COMPULSORY
POOLINGS, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 9
19 80, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of July, 1980, the Division
Director, having considered the record and the recommendations of
the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 6934 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove
designated.