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November 12, 1992

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NOV 1 2 1992

QIL CONSERVATION DIVISION

1

Case 10624

.

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

New Mexico 07505

Applications of Sea Coast, Inc. for Compulsory Pooling, San Juan County,

New Mexico

Dear Mr. LeMay:

Enclosed in triplicate are four applications for Sea Coast, Inc. for compulsory pooling, San Juan County, New Mexico. Sea Coast requests that these cases be included on the docket for the December 3, 1992 Examiner hearings.

Your attention to this request is appreciated.

Very truly yours,

WILLIAM F. CARR

ATTORNEY FOR SEA COAST, INC.

WFC:mlh

Enclosures

cc w/enclosures:

Mr. Mike Briggs

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATROKALD RESOURCES

NOV 1 : 1 ...

IN THE MATTER OF THE APPLICATION OF SEA COAST, INC. FOR COMPULSORY POOLING, SAN JUAN COUNTY, NEW MEXICO.

QIL CONSERVATION DIVISION

CASE NO. 10003

APPLICATION

SEA COAST, INC., by its undersigned attorneys, pursuant to the provisions of N.M.Stat.Ann. § 70-2-17 (1978), hereby makes application for an order pooling all of the mineral interests in the E/2 of Section 7, for all formations developed on 320-acre spacing and in the NE/4 of Section 7 for all formations developed on 160-acre spacing in Township 29 North, Range 12 West, N.M.P.M., San Juan County, New Mexico, from the surface to the base of the Pictured Cliffs formation, and in support thereof would show the Division:

- 1. Applicant owns or represents 50% of the working interest in and under the E/2 of Section 7, 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 a standard location in the NE/4 of Section 7 to a depth sufficient to test the Fruitland formation, Basin-Fruitland Coal (Gas) Pool and the Pictured Cliffs formation, Fulcher Kutz-Pictured Cliffs Gas Pool.
- 3. Applicant has sought and has been unable to obtain either voluntary agreement for pooling or farmout from all other interest owners in the E/2 of said Section

7.

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

prevent waste and will protect correlative rights.

5. Applicant requests that Marlex Resources, Inc. be designated operator of this

well and pooled unit.

6. In order to permit Applicant to obtain its just and fair share of the oil and

gas underlying the subject lands, the mineral interests should be pooled.

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

duly appointed Examiner of the Oil Conservation Division on December 3, 1992, 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 making such other and further provisions as may

be proper.

Respectfully submitted,

CAMPBELL, CARR, BERGE &

SHERIDAN, P.A.

LLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR SEA COAST, INC.

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November 10, 1992

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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 RECEIVED

NOV 1 - Room

OIL CONSERVATION DIVISION

Case 10623

Re:

Applications of Sea Coast, Inc. for Compulsory Pooling, San Juan County,

New Mexico

Dear Mr. LeMay:

Enclosed are legal advertisements for four applications of Sea Coast, Inc. for compulsory pooling, San Juan County, New Mexico. Sea Coast requests that these cases be included on the docket for the December 3, 1992 Examiner hearings.

Your attention to this request is appreciated.

Very truly yours,

WILLIAM F. CARR

ATTORNEY FOR SEA COAST, INC.

WFC:mlh Enclosures

cc w/enclosures:

Robert G. Stovall, Esq.

General Counsel

CASE	:

Application of Sea Coast, Inc., for Compulsory Pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation in the E/2 of Section 7, for all formations developed on 320-acre spacing and in the NE/4 of Section 7 for all formations developed on 160-acre spacing in Township 29 North, Range 12 West, N.M.P.M., San Juan County, New Mexico. Said unit is to be dedicated to a well at a standard location in the NE/4 of said Section 7 to be drilled to a depth sufficient to test the Fruitland formation, Basin-Fruitland Coal (Gas) Pool and the Pictured Cliffs formation, Fulcher Kutz-Pictured Cliffs Gas Pool. considered will be the cost of drilling and completing said well, and the allocation of the costs thereof as well as actual operating costs and charges for supervision, and a charge for risk involved in drilling said well. Applicant will request that Marlex Resources, Inc. be designated operator of this well. Said unit is located approximately miles east of Farmington, New Mexico.

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OIL CONSERVATION DEVISION