

Handwritten initials and signature



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

July 18, 1994

Merrion Oil & Gas Corporation
P.O. Box 840
Farmington, NM 87499

Attention: George Sharpe

RECEIVED
JUL 27 1994

OIL CON. DIV.
DIST. 3

Amended Administrative Order NSL-3393

Dear Mr. Sharpe:

Reference is made to your application dated April 25, 1994 for a non-standard Basin-Fruitland coal gas well location for your existing Carnahan Com Well No. 1 (API No. 30-045-25844) which was drilled in 1960 and completed in the Basin-Dakota Pool at a standard gas well location 990 feet from the South and East lines (Unit P) of Section 35, Township 30 North, Range 12 West, NMPM, San Juan County, New Mexico.

Said well is currently completed in the Flora Vista Mesaverde Pool.

It is our understanding that the Mesaverde zone will be properly plugged back and said well will be recompleted to both the Undesignated Fulcher Kutz-Pictured Cliffs Pool and the Basin-Fruitland Coal Gas Pool where production will be downhole commingled within the wellbore. Pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool, as promulgated by Division Order No. R-8768, as amended, said location is considered to be unorthodox for the Fruitland coal interval only.

The E/2 of said Section 35 being a standard 320-acre gas spacing and proration unit in the Basin-Fruitland Coal Gas Pool and the SE/4 of said Section 35 being a standard 160-acre gas spacing and proration unit in the Undesignated Fulcher-Kutz Pictured Cliffs Pool are to be dedicated to said well.

By the authority granted me under the provisions of Rule 8 of the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool, as promulgated by Division Order No. R-8768, as amended, the above-described unorthodox gas well location is hereby approved.

Amended Administrative Order NSL-3393

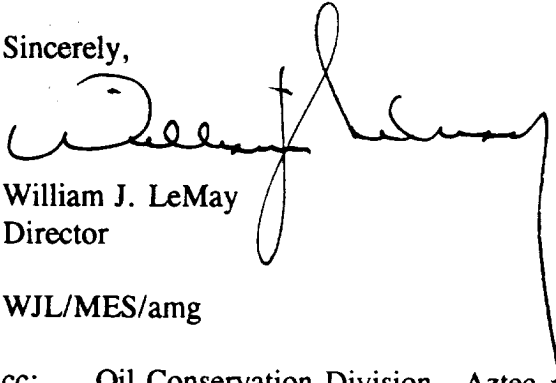
Merrion Oil and Gas Corporation

July 18, 1994

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Also, Merrion Oil and Gas Corporation shall comply with all other provisions of said Order No. R-8768, as amended, pertaining to the downhole commingling of coal gas production with gas from the Undesignated Fulcher-Kutz Pictured Cliffs interval.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. LeMay', with a long horizontal flourish extending to the right.

William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Aztec
File: Case No. 10970

Ernie Busch

From: Ernie Busch
To: Mike Stogner
Subject: MERRION O&G CORP (NSL)
Date: Tuesday, July 12, 1994 9:24AM

WELL NAME: CARNAHAN COM #1
LOCATION: P-35-30N-12W
FOOTAGE: 990' FSL; 990' FEL
RECOMMEND: APPROVAL

MERRION OIL & GAS CORPORATION

610 REILLY AVE. • P. O. BOX 840
FARMINGTON, NEW MEXICO 87499

April 13, 1994

Mr. William LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87503

Re: Application for Unorthodox Location
Basin Fruitland Coal Pool
Carnahan Com #1
SE/4 Section 35, T30N, R12W
San Juan County, New Mexico

Dear Mr. LeMay:

Merrion requests administrative approval for an unorthodox Basin Fruitland Coal well in the SE/4, Sec. 35, T30N, R12W of San Juan County, New Mexico. The well is at a standard footage location (990' FSL & 990' FEL), but it is considered non-standard due to the NE-SW dedicated pattern established by the Basin Fruitland Coal Pool. We plan to recompleate the Carnahan #1, an existing Mesaverde well, into the Basin Fruitland Coal Pool and the Fulcher Kutz PC Pool. A separate application is being submitted for approval to downhole commingle these zones. Enclosed are the following in support of our application for the unorthodox Fruitland location.

- 1.) C-102 Plat;
- 2.) Plat showing offset owners/operators;
- 3.) Affidavit of notification of offset operators. Copies of the certified return receipts will be submitted when received.

Page 2
April 15, 1994

Please give me a call at 327-9801 if you have questions concerning this application.

Sincerely,

MERRION OIL & GAS CORPORATION



George F. Sharpe
Manager - Oil & Gas Investments

Waiver

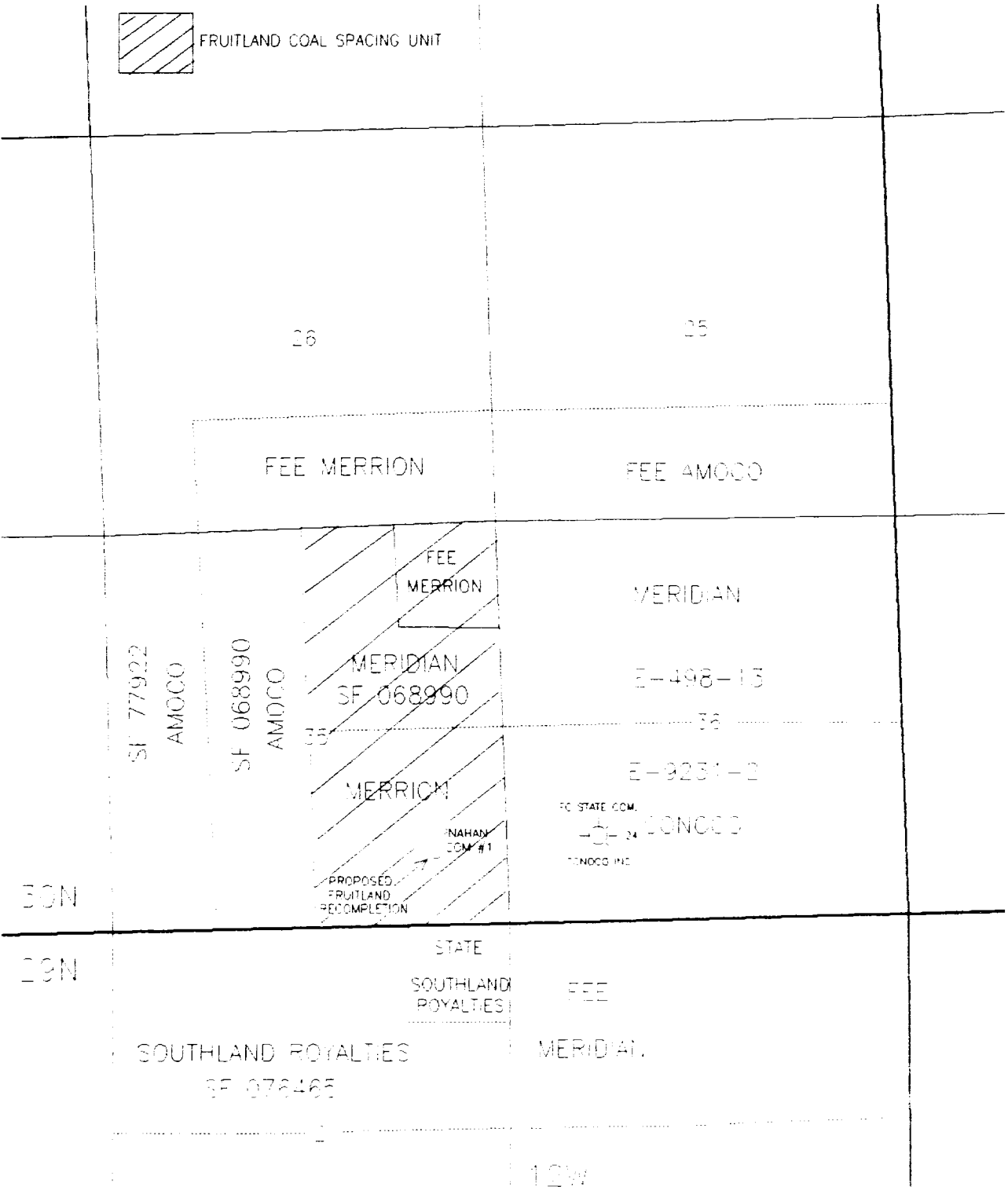
_____ Hereby waives objection to this application.
Company

Name _____

Date: _____

xc: Tommy Roberts
Frank Chavez - NMOCD-Aztec
BLM-Farmington
Well File
Amoco Production
Conoco, Inc.
Meridian Oil, Inc.
Southland Royalties Inc.


MERRION OIL & GAS		
Application For Unorthodox Location Carnahan Com #1 Basin Fruitland Coal Pool		
SE/4	Sec 35, T30N, R12W	4-15/94
990' FSL & 990' FEL	Scale 1:24000.	JFS/SEO



Affidavit

The following companies were sent certified copies of the application for an Unorthodox Basin Fruitland Coal well location for the Carnahan Com #1.

- 1.) Amoco Production Co.
P. O. Box 800
Denver, Colorado 80201
- 2.) Conoco, Inc.
10 Desta Drive, Suite 100W
Midland, Texas 79705-4500
- 3.) Meridian Oil
P. O. Box 4289
Farmington, New Mexico 87499
- 4.) Southland Royalties, Inc.
P. O. Box 4289
Farmington, New Mexico 87499

Signed 
George F. Sharpe

Date _____

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)
 §
COUNTY OF SAN JUAN)

The foregoing instrument was acknowledged before me this _____ of _____, 1994, by George F. Sharpe.

My commission expires:

Notary Public
