

7. **CASE 14190: Application of Dennis Langlitz for Authority to Inject.** Applicant requests an order authorizing him to inject into the following wells:

•	Saladar Unit No. 002	30-015-02450	L-33-20S-28E
•	Saladar Unit No. 004	30-015-02446	K-33-20S-28E
•	Saladar Unit No. 006	30-015-02448	K-33-20S-28E
•	Saladar Unit No. 007	30-015-10468	N-33-20S-28E
•	Saladar Unit No. 008	30-015-02449	N-33-20S-28E
•	Saladar Unit No. 012	30-015-24179	K-33-20S-28E

Applicant seeks authorization to inject into the Yates Formation. The wells are located approximately eight (8) miles northeast of Carlsbad, in Eddy County, New Mexico.

8. **CASE 14162:** (Continued from the September 18, 2008 Examiner Hearing.) ***Application of Merrion Oil and Gas, Corp. for compulsory pooling in San Juan County, New Mexico.*** Merrion Oil and Gas, Corp. seeks an order pooling all unleased and uncommitted mineral interest and all uncommitted working interest owners in the Basin Fruitland Coal Pool in the W/2 of Section 9, Township 29N, Range 13W, NMPM, forming a standard 320 acre spacing unit for said Pool. The spacing unit will be dedicated to the drilling of the Glade Park 1 well in the NW/4 and the Glade Park 2 well in the SW/4. Also to be considered will be the cost of drilling and completing both wells and the allocation of cost thereof, as well as the actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. This spacing unit is located inside the city limits of Farmington, New Mexico.
9. **CASE 14191: Application of Redwolf Production, Inc., for Expansion of the Special Infill Well Area and for Exception to the Well Density Provisions of the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool, San Juan County, New Mexico.** Applicant seeks an order expanding the Special Infill Well Area established pursuant to Order No. R-11775 and providing for an exception to the well location provisions of the Rules and Regulations for the Basin-Fruitland Coal Gas Pool (71629) for the drilling of an original and one infill well within the SE/4 of a standard spacing and proration unit consisting of the S/2 of Section 25, Township 30 North, Range 15 West NMPM in San Juan County, New Mexico. Applicant operates the following well drilled to the Fruitland Coal Formation in the SE/4 of Section 25:

Kelly FC Well No. 1  
(API No. 3004533326)  
1180' FSL & 900' FEL (Unit P)

Redwolf seeks authorization to drill an additional Basin-Fruitland Coal Gas infill well at a standard location within the SE/4 of Section 25:

Kelly FC Well No. 1-H  
Section 25: NE/4 SE/4 (Unit I)

The lands and wells are located approximately six miles northwest of Farmington, New Mexico.

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

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REPORTER'S TRANSCRIPT OF PROCEEDINGS

PREHEARING TRANSCRIPT

BEFORE: DAVID K. BROOKS, Legal Examiner  
RICHARD EZEANYIM, Technical Examiner  
TERRY G. WARNELL, Technical Examiner

September 18, 2008

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID K. BROOKS, Legal Examiner, RICHARD EZEANYIM, Technical Examiner, and TERRY G. WARNELL, Technical Examiner, on Thursday, September 18, 2008, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South Saint Francis Drive, Room 102, Santa Fe, New Mexico.

REPORTED BY: JOYCE D. CALVERT, P-03  
Paul Baca Court Reporters  
500 Fourth Street, NW, Suite 105  
Albuquerque, New Mexico 87102

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MR. EZEANYIM: Good morning, ladies and gentlemen.  
Today is September 18th, 2008. We are going to consider  
Docket No. 32-08. I think I'm seeing a lot of new faces here,  
so I will go ahead and introduce myself again.

My name is Richard Ezeanyim. I'm going to be the  
Hearing Examiner today. By my left is the honorable David  
Brooks, who is going to be Legal Examiner. On my right is  
Terry Warnell, who is going to be assisting.

First of all, we will call the continuances and  
dismissals for Docket 32-08.

On page 1, Case No. 14136 is dismissed.

Page 2, Case No. 14162 is continued to October 16th.

On page 3, Case No. 14182 is dismissed.

Case No. 14178 is continued to October 15th. This is  
an off-docket case.

Case No. 14173 is continued to October 2nd.

On page 4, Case No. 14147 is continued to  
October 16th.

On page 5, Case No. 14148 is continued to  
October 16th.

Case No. 14168 is continued to October 2nd.

Case No. 14155 is dismissed.

Are there any other dismissals or continuances at  
this point?

I hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. \_\_\_\_\_  
\* \* \* heard by me on \_\_\_\_\_

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**REPORTER'S CERTIFICATE**

I, JOYCE D. CALVERT, Provisional Court Reporter for the State of New Mexico, do hereby certify that I reported the foregoing proceedings in stenographic shorthand and that the foregoing pages are a true and correct transcript of those proceedings and was reduced to printed form under my direct supervision.

I FURTHER CERTIFY that I am neither employed by nor related to any of the parties or attorneys in this case and that I have no interest in the final disposition of this proceeding.

DATED this 18th of September, 2008.



JOYCE D. CALVERT  
New Mexico P-03  
License Expires: 7/31/09

**Davidson, Florene, EMNRD**

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**From:** George Sharpe [GSharpe@merrion.bz]  
**Sent:** Monday, August 04, 2008 3:19 PM  
**To:** Davidson, Florene, EMNRD  
**Cc:** Briana Campbell; Martha Goats; Tommy Roberts  
**Subject:** RE: Compulsory Pooling - Request for Continuance

Thank you Theresa. That is what I wanted to hear.

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**From:** Davidson, Florene, EMNRD [mailto:florene.davidson@state.nm.us]  
**Sent:** Monday, August 04, 2008 3:19 PM  
**To:** George Sharpe  
**Cc:** Macquesten, Gail, EMNRD; Davidson, Florene, EMNRD  
**Subject:** RE: Compulsory Pooling - Request for Continuance

Good afternoon Mr. Sharpe,

Ms. Davidson is out of the office. In her absence I am responding to emails sent to her.

Thank you for your request of information regarding Case 14162 and Case 14163. OCD is in receipt of your request for continuance of these cases. Upon receipt, a copy of the request was provided to the hearing examiner scheduled for August 7, 2008. The continuance was granted and the cases are scheduled to appear on the August 21 docket, not yet prepared.

Please let me know if you have any further questions.

Theresa Duran-Saenz

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**From:** George Sharpe [mailto:GSharpe@merrion.bz]  
**Sent:** Monday, August 04, 2008 9:56 AM  
**To:** George Sharpe; Davidson, Florene, EMNRD  
**Cc:** Tommy Roberts; Briana Campbell  
**Subject:** Compulsory Pooling - Request for Continuance

Florene,

We sent the attached letters certified and got notice that you had received them. However, a landowner who checked on the status of the applications seems to think they are still on the August 8<sup>th</sup> docket instead of the 21<sup>st</sup>. Please confirm that they have been continued until the 21<sup>st</sup>.

Thanks,

George

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**From:** George Sharpe  
**Sent:** Friday, July 11, 2008 6:51 AM  
**To:** 'Davidson, Florene, EMNRD'  
**Cc:** Tommy Roberts  
**Subject:** RE: advertisements for compulsory pooling applications

8/4/2008

Thank you very much for your help, Florene.

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**From:** Davidson, Florene, EMNRD [mailto:florene.davidson@state.nm.us]  
**Sent:** Thursday, July 10, 2008 4:07 PM  
**To:** George Sharpe  
**Subject:** RE: advertisements for compulsory pooling applications

Mr. Sharpe, your applications are set for the August 7 hearing, but you may continue them at any time. I gave you the wrong information about the pre-hearing statements. They are due no later than 5:00 p.m., Mountain Time, on the Thursday before the hearing date. If you do continue your cases, the pre-hearing statements won't be due until this deadline for the continued date.

If you need any further information, please let me know.

Florene

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**From:** George Sharpe [mailto:GSharpe@merrion.bz]  
**Sent:** Thursday, July 10, 2008 3:43 PM  
**To:** Davidson, Florene, EMNRD  
**Subject:** FW: advertisements for compulsory pooling applications

Florene,

I sent these earlier to Theresa but did not hear back. I just want to make sure we get the ads in in time.

Thanks

George Sharpe

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**From:** George Sharpe  
**Sent:** Thursday, July 10, 2008 1:06 PM  
**To:** 'theresa.duran-saenz@state.nm.us'  
**Cc:** Tommy Roberts; 0-MOG - Briana Campbell  
**Subject:** advertisements for compulsory pooling applications

Theresa,

Attached per your request are advertisements for out two applications. Please confirm that you got them and that they are acceptable.

Again, we would like to go ahead and advertise for August 7, but intend to submit a letter asking that the cases be continued until the 21<sup>st</sup>. I'm assuming we still need to submit our prehearing statement 20 days prior to the 7<sup>th</sup>?

Thank you for your help.

*Sincerely,*

*George Sharpe*  
Investment Manager  
Merrion Oil & Gas  
610 Reilly Ave  
Farmington, New Mexico 87401

8/4/2008

505-324-5314 office  
505-402-5798 cell

\_\_\_\_\_ Information from ESET NOD32 Antivirus, version of virus signature database 3259  
(20080710) \_\_\_\_\_

The message was checked by ESET NOD32 Antivirus.

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<http://www.eset.com>

\_\_\_\_\_ Information from ESET NOD32 Antivirus, version of virus signature database 3260  
(20080710) \_\_\_\_\_

The message was checked by ESET NOD32 Antivirus.

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\_\_\_\_\_ Information from ESET NOD32 Antivirus, version of virus signature database 3260  
(20080710) \_\_\_\_\_

The message was checked by ESET NOD32 Antivirus.

<http://www.eset.com>

\_\_\_\_\_ Information from ESET NOD32 Antivirus, version of virus signature database 3324

8/4/2008

(20080804) \_\_\_\_\_

The message was checked by ESET NOD32 Antivirus.

<http://www.eset.com>

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November 11, 2008

NMOCD  
ATTN: Florene Davidson

Ms. Davidson,

Merrion Oil and Gas is requesting that Case #14162, scheduled for this upcoming Thursday, November 13, 2008, be rescheduled for the hearing on December 18, 2008.

If you have any questions, please call me at (505) 324-5325 or e-mail me at [bcampbell@merrion.bz](mailto:bcampbell@merrion.bz).

Sincerely,

A handwritten signature in cursive script that reads "Briana Campbell".

Briana Campbell