

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

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

CASE NO. 11117

APPLICATION OF MERIDIAN OIL INC.
FOR COMPULSORY POOLING
SAN JUAN COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by MERIDIAN OIL INC.
as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

MERIDIAN OIL INC.
P.O. Box 4289
Farmington, N.M. 87499
Attn: Alan Alexander
(505) 326-9757

ATTORNEY

W. Thomas Kellahin
KELLAHIN AND KELLAHIN
P.O. Box 2265
Santa Fe, New Mexico 87504
(505) 982-4285

STATEMENT OF CASE

APPLICANT:

Meridian Oil Inc. seeks Division approval to pool all mineral interests in the Pictured Cliffs formation underlying the NM/4 and all mineral interests in the Basin Fruitland Coal Gas Pool underlying the W/2 of Section 18, T27N, R9W, NMPN, San Juan County, New Mexico, forming standard 161.32-acre and 322.40-acre spacing and proration units.

Said units are to be dedicated to Meridian Oil Inc.'s Lodewick Well No. 1 which is an existing Pictured Cliffs well currently approved by Order R-10090 for downhole commingled production from the Fulcher Kutz-Pictured Cliffs Gas Pool and the Basin-Fruitland Coal-Gas Pool at an unorthodox coal-gas well location in Unit D of said Section 10.

Also to be considered will be the costs of participation in said well, including but not limited to the value of the exsisting wellbore, the costs of recompletion, and the allocation of those costs and income as well as actual operating costs and charges for supervision, and the designation of applicant as the operator of the well.

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS:
Leonard Biemer (Senior Land Advisor)	10 min.	7 total
Jay Close (Petroleum Geologist)	10 min.	
Dean Price (Senior Landman)	10 min.	

PROCEDURAL MATTERS

None anticipated at this time.

KELLAHIN AND KELLAHIN

By: 

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