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:

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CASE NO. 11119

APPLICATION OF MERIDIAN OIL INC. FOR DOWNHOLE COMMINGLING AND AN UNORTHODOX GAS WELL LOCATION, 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

ATTORNEY

MERIDIAN OIL INC. P.O. Box 4289 Farmington, N.M. 87499 Attn: Alan Alexander (505) 326-9757 W. Thomas Kellahin KELLAHIN AND KELLAHIN P.O. Box 2265 Santa Fe, New Mexico 87504 (505) 982-4285 Pre-Hearing Statement Case No. 11119 Page 2

STATEMENT OF CASE

APPLICANT:

Meridian Oil Inc. seeks approval to downhole commingle Fulcher Kutz-Pictured Cliffs Gas Pool (NE/4 dedication) with the Basin-Fruitland Coal Gas Pool production (E/2 dedication) within the wellbore of its C.M. Morris Well No. 100 to be located at an unorthodox gas well location 1340 feet from the North line and 1450 feet from the East line (Unit G) of Section 10, t27N, R10W, NMPM, San Juan County, New Mexico.

Said well is located approximatedly 10.5 miles southeast from Farmington, New Mexico.

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PROPOSED EVIDENCE

<u>APPLICANT</u>

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

W. Thomas Kellahin

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