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

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

JUL 9 1996

Oil Conservation Division

CASE NO. 11565

APPLICATION OF MERIDIAN OIL INC. FOR AN UNORTHODOX COAL-GAS WELL LOCATION, RIO ARRIBA 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. PO Box 4289 Farmington, NM 87499 Attn: Alan Alexander (505) 326 9757 W. Thomas Kellahin KELLAHIN AND KELLAHIN P.O. Box 2265 Santa Fe, NM 87504 (505) 982-4285

STATEMENT OF CASE

APPLICANT

Meridian Oil Inc. seeks to drill an "Off Pattern" Basin Fruitland Coal Gas Pool well at an unorthodox well location 1850 feet FSL and 940 feet FEL of Section 5, T29N, R7W, NMPM, Rio Arriba County, New Mexico, to test for production.

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Meridian Oil Inc. is the operator of the San Juan 29-7 Well No. 505 (a Fruitland Coal Gas Well locate din the NE/4 of Section 5) and desires to drill the subject well as a replacement for this well.

An off pattern well location in the SE/4 of Section 5 is requested in order to be in closer proximity to the "over-pressured envelope" in this area.

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Alan Alexander (landman)	10 Min.	est. 4
Greg Jennings (geologist)	10 Min	est. 4
Mark Castiglione (petroleum engineer)	10 Min.	est. 4

PROCEDURAL MATTERS

None at this time.

KELLAHIN AND KELLAHIN

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