



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

GARREY CARRUTHERS
GOVERNOR

June 29, 1990

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

Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499-4289

Case 10023

Attention: Peggy Bradfield

*RE: Administrative Application for an unorthodox coal
gas well location; Feasel A No. 3, 990' FNL -
1070' FWL (Unit D), Section 34, Township 28
North, Range 10 West, NMPM, Basin Fruitland
Coal Gas Pool, San Juan County, New Mexico.*

Dear Ms. Bradfield:

This agency has received an objection from Breck Operating Corporation to the subject filing in a timely manner (see copy attached); therefore, this matter will be set for hearing before an examiner on the next available docket scheduled for July 25, 1990.

Please provide adequate notice for such an application prior to the hearing as required by Division General Rule 1207.

If you should have any questions concerning this matter, please contact me.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
Breck Operating Corporation Breckenridge, TX

BRECK OPERATING CORP.

P. O. BOX 911
BRECKENRIDGE, TEXAS 76024-0911

JUN 21 AM 8 38

June 15, 1990

CERTIFIED MAIL -
RETURN RECEIPT REQUESTED

Case 10022

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87503

Attention: Mr. William LeMay

Re: **Feasel A #3**
990' FNL, 1070' FWL
Section 34, T-28-N, R-10-W
San Juan County, New Mexico

Kutz Deep Test #2
990' FLS, 990' FEL
Section 28, T-28-N, R-10-W
San Juan County, New Mexico

Kutz Deep Test #1
990' FSL, 1650' FEL
Section 21, T-28-N, R-10-W
San Juan County, New Mexico

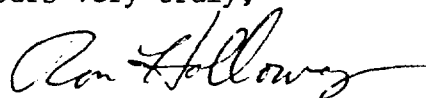
Dear Mr. LeMay:

This letter is written on behalf of B.B.L., Ltd. B.B.L., Ltd. owns working interests in the acreage that offsets the requested non-standard gas well locations requested by Meridian Oil Inc. for the Basin Fruitland Coal Pool.

We are opposed to Meridian's requests for the non-standard gas well locations. To grant such locations would work a hardship on B.B.L., Ltd. and would create drainage problems for B.B.L., Ltd. We believe the established drainage patterns will best protect the correlative rights of all parties.

Also, B.B.L., Ltd. has approached Meridian about forming pooled units for recompletion possibilities in the Fruitland Coal in the same sections at standard locations. For these reasons we request that their requests be denied.

Yours very truly,



Ronald A. Holloway
Land Manager

RAH/sm
L54/61590a



New Mexico Oil Conservation Division
RE: Feasel "A" #3, et al
June 18, 1990

cc: MERIDIAN OIL INC.
3535 East 30th Street
P. O. Box 4289
Farmington, New Mexico 87499-4289
Attention: Mr. David Pogue

KELLAHIN, KELLAHIN AND AUBREY

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

W. THOMAS KELLAHIN
KAREN AUBREY

CANDACE HAMANN CALLAHAN

JASON KELLAHIN
OF COUNSEL

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

July 16, 1990

RECEIVED

JUL 17 1990

OIL CONSERVATION DIV
SANTA FE

HAND DELIVERED

Mr. William J. LeMay
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87504

Re: NMOCD Case No. 10022
Feasel A No. 3 Well
990' FNL, 1070' FWL,
Sec. 34, T28N, R10W,
San Juan County, New Mexico

NMOCD Case No. 10020
Kutz Deep Test No. 1
990' FSL, 1650' FEL,
Sec. 21, T28N, R10W,
San Juan County, New Mexico

NMOCD Case No. 10021
Kutz Deep Test No. 2
990' FSL, 990' FEL,
Sec. 28, T28N, R10W,
San Juan County, New Mexico

NMOCD Case No. 10019
Kutz Canyon Oil & Gas Well No. 1
990' FSL, 1650' FWL,
Sec. 17, T28N, R10W,
San Juan County, New Mexico

Dear Mr. LeMay:

Our firm represents Meridian Oil, Inc. in each of the referenced cases which were originally filed for administrative approval as unorthodox gas wells in the Basin Fruitland Coal Gas Pool. Thereafter, as a result of an objection filed by Breck Operating Corp. the Division placed these cases on the Examiner docket for hearing on July 25 1990, and directed Meridian to provide notice of hearing.

William J. LeMay
July 16, 1990
Page 2

In order to comply with the notice requirements of Rule 1207, we will need additional time and, therefore, request that the referenced cases be continued from July 25, 1990 to the Examiner Hearing set for August 8, 1990.

By copy of this letter, with enclosures, we are notifying the appropriate offsetting parties by certified mail return-receipt that they have the right to appear at the hearing, to make a statement to the Division, to present evidence and cross examine witnesses either in support of or in opposition to the application. In addition, any party desiring to participate should complete and file with the Division, copy to the undersigned, a pre-hearing statement by Friday, August 3, 1990 at 4:00 p.m.

Very truly yours,



W. Thomas Kellahin

WTK/tic
Enclosure

cc: Alan Alexander
Meridian Oil, Inc.
Post Office Box 4289
Farmington, New Mexico 87499-4289

Certified mail return-receipt
Breck Operating Corp.
Post Office Box 911
Breckenridge, Texas 76024-0911
Attn: Ronald A. Holloway

Merrion Oil & Gas Corporation
Post Office Box 840
Farmington, New Mexico 87400

Damson Oil Co.
Post Office Box 4391
Houston, Texas 77210-4391

Amoco Production Company
Attn: Southern Division Production Manager
Post Office Box 800
Denver, Colorado 80201



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

X: ~~ABB~~ Bob
REF
JWC

MERIDIAN OIL

JUL 2 - 1990

FARMINGTON, NEW MEXICO
REGULATORY

JUL 1990

June 29, 1990

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

Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499-4289

Attention: Peggy Bradfield

RE: Administrative Application for an unorthodox coal gas well location; Kutz Canyon Oil and Gas Well No. 1, 990' FSL - 1650' FWL (Unit O), Section 17, Township 28 North, Range 10 West, NMPM, Basin Fruitland Coal Gas Pool, San Juan County, New Mexico.

Dear Ms. Bradfield:

This agency has received an objection from Breck Operating Corporation to the subject filing in a timely manner (see copy attached); therefore, this matter will be set for hearing before an examiner on the next available docket scheduled for July 25, 1990.

Please provide adequate notice for such an application prior to the hearing as required by Division General Rule 1207.

If you should have any questions concerning this matter, please contact me.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
Breck Operating Corporation Breckenridge, TX



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

XC: ~~XXX~~ Bob
REF
JWC

GARREY CARRUTHERS
GOVERNOR

June 29, 1990

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

Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499-4289

Attention: Peggy Bradfield

MERIDIAN OIL
JUL 2 - 1998
FARMINGTON, NEW MEXICO
REGULATORY

RE: *Administrative Application for an unorthodox coal gas well location; Kutz Deep Test No. 2, 990' FSL - 990' FEL (Unit P), Section 28, Township 28 North, Range 10 West, NMPM, Basin Fruitland Coal Gas Pool, San Juan County, New Mexico.*

Dear Ms. Bradfield:

This agency has received an objection from Breck Operating Corporation to the subject filing in a timely manner (see copy attached); therefore, this matter will be set for hearing before an examiner on the next available docket scheduled for July 25, 1990.

Please provide adequate notice for such an application prior to the hearing as required by Division General Rule 1207.

If you should have any questions concerning this matter, please contact me.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
Breck Operating Corporation Breckenridge, TX



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

GARREY CARRUTHERS
GOVERNOR

Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499-4289

Attention: Peggy Bradfield

June 29, 1990

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

MERIDIAN OIL

JUL 2 - 1990

FARMINGTON, NEW MEXICO
REGULATORY

RE: *Administrative Application for an unorthodox coal
gas well location; Feasel A No. 3, 990' FNL -
1070' FWL (Unit D), Section 34, Township 28
North, Range 10 West, NMPM, Basin Fruitland
Coal Gas Pool, San Juan County, New Mexico.*

Dear Ms. Bradfield:

This agency has received an objection from Breck Operating Corporation to the subject filing in a timely manner (see copy attached); therefore, this matter will be set for hearing before an examiner on the next available docket scheduled for July 25, 1990.

Please provide adequate notice for such an application prior to the hearing as required by Division General Rule 1207.

If you should have any questions concerning this matter, please contact me.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
Breck Operating Corporation Breckenridge, TX

Xc-
REF
JWC
Bob



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

XC: XWJ
REP
JWC

GARREY CARRUTHERS
GOVERNOR

JUL 1990
Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499-4289

June 29, 1990

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

MERIDIAN OIL

Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499-4289

JUL 2 - 1990
FARMINGTON, NEW MEXICO
REGULATORY

Attention: Peggy Bradfield

*RE: Administrative Application for an unorthodox coal
gas well location; Kutz Deep Test No. 1, 990' FSL -
1650' FEL (Unit O), Section 21, Township 28
North, Range 10 West, NMPM, Basin Fruitland
Coal Gas Pool, San Juan County, New Mexico.*

Dear Ms. Bradfield:

This agency has received an objection from Breck Operating Corporation to the subject filing in a timely manner (see copy attached); therefore, this matter will be set for hearing before an examiner on the next available docket scheduled for July 25, 1990.

Please provide adequate notice for such an application prior to the hearing as required by Division General Rule 1207.

If you should have any questions concerning this matter, please contact me.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
Breck Operating Corporation Breckenridge, TX



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

GARREY CARRUTHERS
GOVERNOR

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

August 8, 1990

Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499-4289

Attention: Peggy Bradfield

Administrative Order NSL-2843

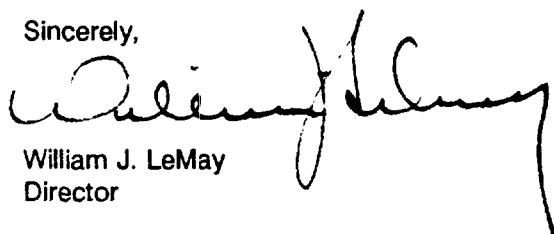
Dear Ms. Bradfield:

Reference is made to your application dated June 5, 1990 for a non-standard Basin-Fruitland coal gas well location for your existing Feasel Well No. 3 which was drilled in 1952 and completed in the Fulcher Kutz Pictured Cliffs Pool at a standard gas well location 990 feet from the North line and 1070 feet from the West line (Unit D) of Section 34, Township 28 North, Range 10 West, NMPM, San Juan County, New Mexico.

It is my understanding that the Pictured Cliffs zone will be properly plugged back and said well will be recompleted to the Basin-Fruitland Coal Gas Pool, which pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool as promulgated by Division Order No. R-8768, is unorthodox. Further, the W/2 of said Section 34 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of said Division Order No. R-8768, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,



William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
W. Thomas Kellahin - Santa Fe
File: Case No. 10022



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

August 21, 1990

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

Mr. Thomas Kellahin
Kellahin, Kellahin & Aubrey
Attorneys at Law
Post Office Box 2265
Santa Fe, New Mexico

Re: CASE NO. 10022
ORDER NO. R-9263

Applicant:

Meridian Oil, Inc.

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Division order recently entered in the subject case.

Sincerely,

Florene Davidson

FLORENE DAVIDSON
OC Staff Specialist

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD x

Other James Bruce