

**KELLAHIN, KELLAHIN AND AUBREY**

ATTORNEYS AT LAW

EL PATIO BUILDING

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W. THOMAS KELLAHIN  
KAREN AUBREY

CANDACE HAMANN CALLAHAN

JASON KELLAHIN  
OF COUNSEL

July 17, 1990

HAND-DELIVERED

Mr. William J. LeMay  
Oil Conservation Division  
Post Office Box 2088  
Santa Fe, New Mexico 87501

**RECEIVED**

JUL 17 1990

OIL CONSERVATION DIV.  
SANTA FE

10040

Re: Meridian Oil, Inc.'s Application  
for Two Unorthodox Well Locations,  
Basin Fruitland Coal Gas Pool,  
San Juan County, New Mexico

Dear Mr. LeMay:

On behalf of Meridian Oil, Inc., please set the enclosed application for hearing at the next available examiner's docket now set for August 8, 1990.

We suggest the following to be used for the advertisement for this case:

Application of Meridian Oil, Inc. for approval of two unorthodox gas well locations, Rio Arriba County, New Mexico. Applicant seeks approval of an unorthodox gas well location for its Rosa Unit No. 201 Well drilled at an unorthodox location 1640 feet from the North line and 420 feet from the East line of Section 22, Township 31 North, Range 6 West, N.M.P.M. and for its Rosa Unit No. 222 Well drilled at an unorthodox gas well location 1910 feet from the North line and 635 feet from the East line of Section 15, Township 31 North, Range 6 West, N.M.P.M., Basin Fruitland Coal Gas Pool, Rio Arriba County, New Mexico.

By copy of this letter and application sent certified mail, return-receipt requested, we are notifying each of the offsetting owners and/or operators of their right to appear at the hearing either in support of or in opposition to this application.

Mr. William J. LeMay  
October 24, 1989  
Page 2

Should any party desire more information about this matter or about the procedures for hearing this application, they may call the Division or the undersigned.

Very truly yours,



W. Thomas Kellahin

WTK/tic

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

Certified mail return-receipt

Northwest Pipeline Corporation  
3539 East 30th  
Farmington, New Mexico 87401

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

IN THE MATTER OF THE APPLICATION  
OF MERIDIAN OIL, INC. FOR APPROVAL  
OF TWO UNORTHODOX WELL LOCATIONS,  
BASIN FRUITLAND COAL GAS POOL,  
SAN JUAN COUNTY, NEW MEXICO

**RECEIVED**

JUL 17 1990

OIL CONSERVATION DIV.  
CASE NO. SANTA FE

10040

A P P L I C A T I O N

COMES NOW MERIDIAN OIL, INC., by and through its attorneys, KELLAHIN, KELLAHIN & AUBREY, and applies to the New Mexico Oil Conservation Division for approval of two unorthodox gas wells in the Basin Fruitland Coal Gas Pool in Sections 22 and 15, Township 31 North, Range 6 West, San Juan County, New Mexico for the following wells, which have been drilled:

Rosa Unit No. 201 Well drilled at an unorthodox location 1640 feet from the North line and 420 feet from the East line of Section 22, Township 31 North, Range 6 West, N.M.P.M.

Rosa Unit No. 222 Well drilled at an unorthodox gas well location 1910 feet from the North line and 635 feet from the East line of Section 15, Township 31 North, Range 6 West, N.M.P.M., Basin Fruitland Coal Gas Pool, Rio Arriba County, New Mexico.

1. Applicant is a working interest owner and operator of the Rosa Unit Wells 222 and 201. Applicant is a working interest owner in the wells.

2. The Rosa Unit No. 201 Well is dedicated to the E/2 Section 22, T31N, R6W and the Rosa Unit No. 222 Well is dedicated to the E/2 Section 15, T31N, R6W.

3. The two subject well locations were originally staked based upon original surveys which incorrectly located the wells and were assumed to place these two wells at standard well locations for Basin Fruitland Coal Gas Wells.

4. The incorrect locations were:

Rosa Unit 201: 1230 feet FNL and 1330 feet FEL  
Section 22, T31N, R6W.

Rosa Unit 222: 1880 feet FNL and 830 feet FEL  
Section 15, T31N, R6W.

5. New surveys show that the wells were in fact drilled at the following locations:

Rosa Unit 201: 1640 feet FNL and 420 feet FEL  
Section 22, T31N, R6W.

Rosa Unit 222: 1910 feet FNL and 635 feet FEL  
Section 15, T31N, R6W.

6. Approval of the two unorthodox wells, inadvertently drilled upon the assumption that they were at standard well location is necessary in order to avoid waste and to protect correlative rights of the owners involved.

5. Attached as Exhibits A and B are plats showing the corrected individual well locations and their acreage dedication.

6. Attached as Exhibit C is a list of all offsetting owners and/or operators who are required by Division rules to receive notification of this application.

7. Pursuant to Division rules, a copy of this application was mailed by certified mail, return-receipt requested, to all parties listed on Exhibit C notifying them of the hearing set for August 8, 1990.

WHEREFORE, Applicant requests that after notice and hearing the application be granted.

KELLAHIN, KELLAHIN & AUBREY



W. Thomas Kellahin  
Post Office Box 2265  
Santa Fe, New Mexico 87504  
(505) 982-4285

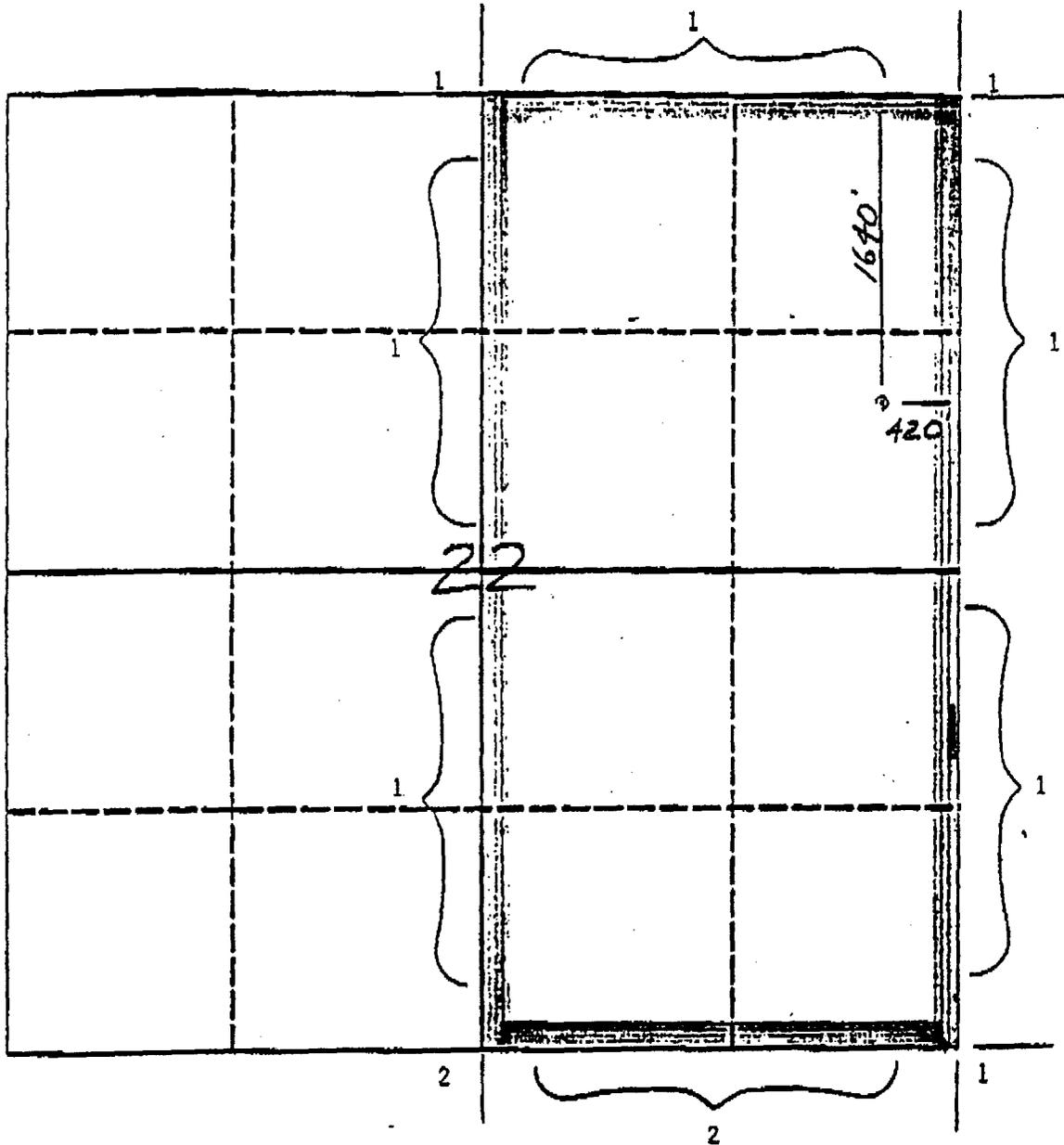
MERIDIAN OIL INC

Well Name Rosa Unit #201

Footage 1640' FNL, 420' FEL

APPLICATION FOR NON-STANDARD LOCATION

County Rio Arriba State New Mexico Section 22 Township 31N Range 6W



Remarks 1) Meridian Oil Inc.  
2) Northwest Pipeline Corporation  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

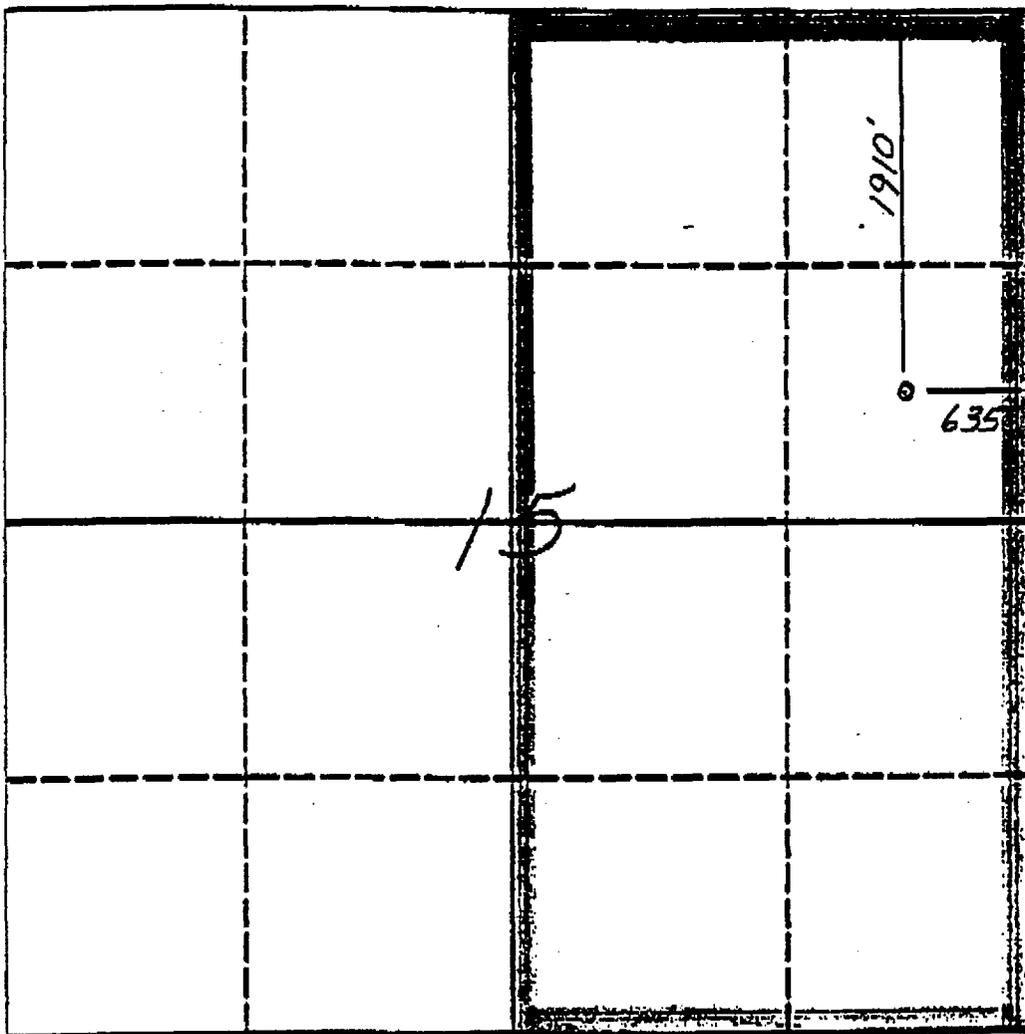
MERIDIAN OIL INC

Well Name Rosa Unit #222

Footage 1910' FNL, 635' FEL

APPLICATION FOR NON-STANDARD LOCATION

County Rio Arriba State New Mexico Section 15 Township 31N Range 6W



Remarks All surrounding lands located within the Rosa Unit boundaries.  
Meridian Oil Inc. is sub-operator for Fruitland formation.  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

EXHIBIT "B"

EXHIBIT C TO APPLICATION

Northwest Pipeline Corporation  
3539 East 30th  
Farmington, New Mexico 87401

MERIDIAN OIL

MAR 29 09 31

March 28, 1990

Certified Mail

Mr. William LeMay  
New Mexico Oil Conservation Division  
Post Office Box 2088  
Santa Fe, New Mexico 87503

Dear Mr. LeMay:

Per my telephone conversation with Michael Stogner of your office on Friday, March 16, 1990, this is an application for administrative approval for the non-standard location of the Meridian Oil Inc. Rosa Unit #201. This Basin Fruitland Coal well was drilled at 1230' from the North line and 1330' from the East line of Section 22, T-31-N, R-6-W and was resurveyed by Meridian Oil Inc. to be at 1640' from the North line and 420' from the East line of Section 22, T-31-N, R-6-W, Rio Arriba County, New Mexico.

Attached is a copy of the plat showing the resurveyed location.

Sincerely,

  
Peggy Bradford

att.

Submit to Appropriate District Office  
 State Leases - 4 copies  
 Fee Leases - 3 copies

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-102  
 Revised 1-1-89

**OIL CONSERVATION DIVISION**  
 P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

**DISTRICT I**  
 P.O. Box 1980, Hobbs, NM 88240

**DISTRICT II**  
 P.O. Drawer DD, Aramis, NM 88210

**DISTRICT III**  
 1000 Rio Brazos Rd., Aztec, NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

All Distances must be from the outer boundaries of the section

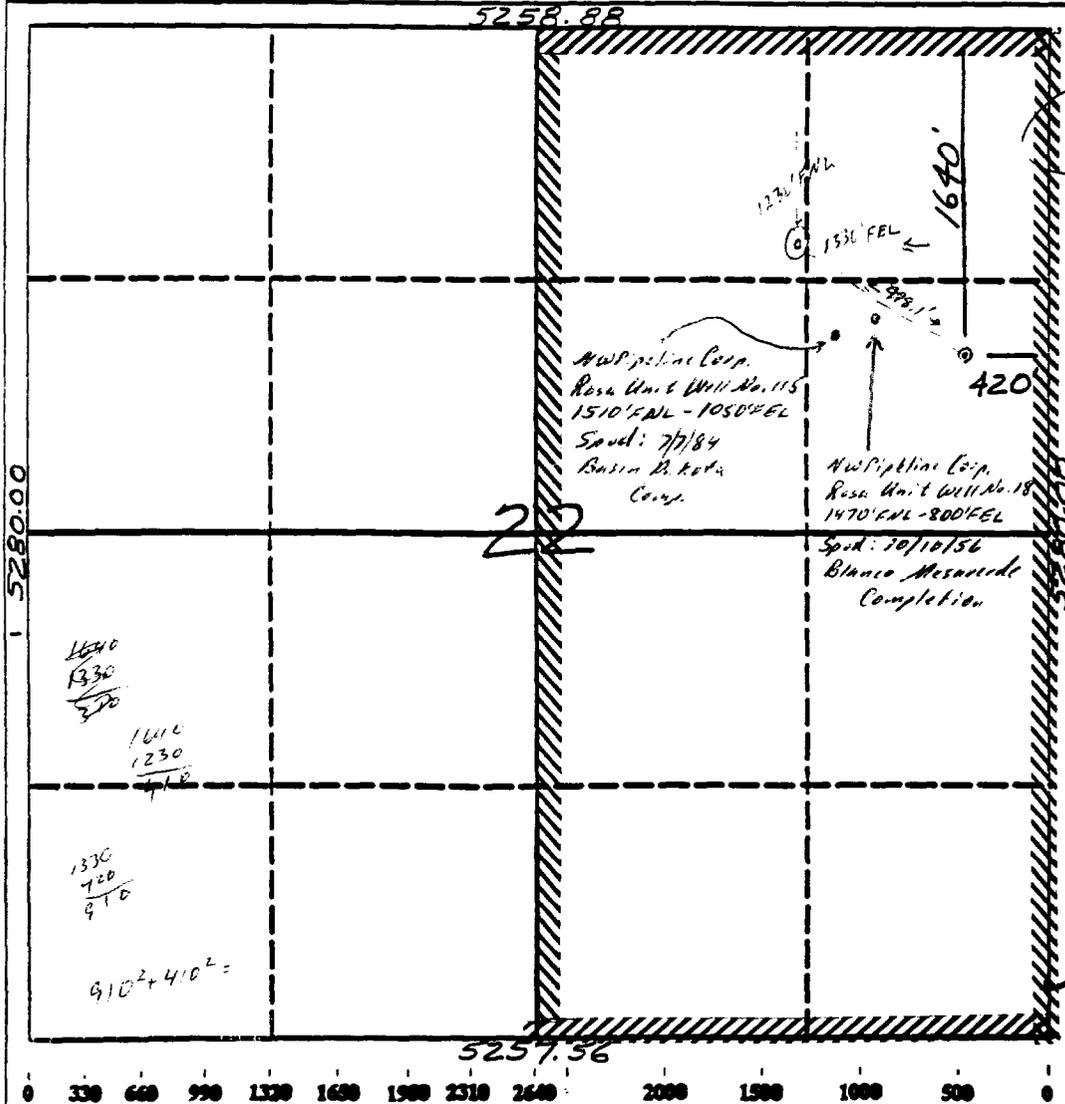
Operator <b>Meridian Oil Inc.</b>		Lease <b>Rosa Unit</b>		Well No. <b>201</b>
Unit Letter <b>H</b>	Section <b>22</b>	Township <b>31 North</b>	Range <b>6 West</b>	County <b>Rio Arriba</b>
Account Footings Location of Well: <b>1640</b> feet from the <b>North</b> line and <b>420</b> feet from the <b>East</b> line				
Ground level Elev. <b>6250'</b>	Producing Formation <b>Fruitland Coal</b>	Pool <b>Basin</b>	Dedicated Acreage <b>320</b> Acres	

- Outline the acreage dedicated to the subject well by colored pencil or ink/trace marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
 

Yes  No If answer is "yes" type of consolidation unitization

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Peggy Bradfield*  
 Signature

**Peggy Bradfield**  
 Printed Name

**Regulatory Affairs**  
 Position

**Meridian Oil Inc.**  
 Company

**3-28-90**  
 Date

**SURVEYOR CERTIFICATION**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

**11-15-89**  
 Date Surveyed

**Neal C. Edwards**  
 Signature of Surveyor

**857**  
 Professional Surveyor

**REGISTERED LAND SURVEYOR**  
 NEALE C. EDWARDS

**6857**  
 Certificate No.