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W. THOMAS KELLAHIN
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OF COUNSEL

November 1, 1990

HAND DELIVERED

RECEIVED

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

OIL CONSERVATION DIVISION

Re: Meridian Oil Inc.
for Compulsory Pooling
McAdams No. 500 Well
E/2 Section 28, T27N, R10W
San Juan County, New Mexico

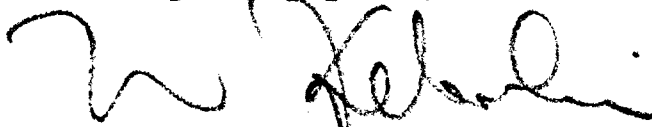
10173

Dear Mr. LeMay:

On behalf of Meridian Oil Inc. please find enclosed our application for Compulsory Pooling which we would request be set for hearing on the next available Examiner's docket now scheduled for November 28, 1990.

By copy of this letter to all parties to be pooled, we are notifying them by certified mail, return-receipt requested, 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, they are advised that the entry of a Compulsory Pooling Order will affect their rights to share in the production from the subject well.

Very truly yours,



W. Thomas Kellahin

WTK/tic
Enclosure

Mr. William J. LeMay
November 1, 1990
Page 2

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

Certified Mail Return-Receipt
All parties listed in Exhibit A
of the Application, w/encl.



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

December 3, 1990

POST OFFICE BOX 2089
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. 10173
ORDER NO. R-9379

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 _____

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. 10173
Order No. R-9379

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on November 28, 1990,
at Santa Fe, New Mexico, before Examiner Jim Morrow.

NOW, on this 30th day of November, 1990, the Division
Director, having considered the record and the recommendations of the
Examiner, and being fully advised in the premises,

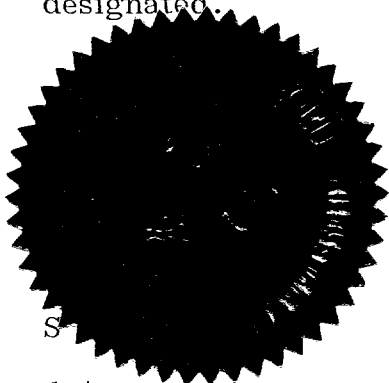
FINDS THAT:

The applicant's request for dismissal should be granted.

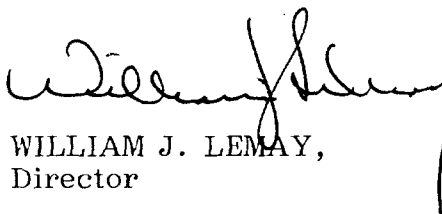
IT IS THEREFORE ORDERED THAT:

Case No. 10173 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove
designated.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY,
Director

dr/