

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. 10800  
ORDER NO. R-9991*

**APPLICATION OF MERRION OIL & GAS CORPORATION 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 August 26 and September 23, 1993, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 19<sup>th</sup> day of October, 1993, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Merrion Oil & Gas Corporation, seeks an order pooling all mineral interests from the surface to the base of the Basin-Fruitland Coal (Gas) Pool underlying the E/2 of Section 26, Township 26 North, Range 13 West, NMPM, San Juan County, New Mexico, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, which presently includes only the Basin-Fruitland Coal (Gas) Pool.

(3) Said unit is to be dedicated to its existing Serendipity Well No. 1, located at a non-standard coal gas well location 1650 feet from the South line and 2310 feet from the East line (Unit J) of said Section 26. The Serendipity Well No. 1 was drilled in 1983 by Oxoco Production Corporation to a total depth of 5,120 feet and completed in the Bisti-Lower Gallup Oil Pool whereby it produced oil from this pool until Merrion recompleted the well up-hole to the Fruitland Coal Gas interval in December, 1992.

(4) This matter was heard at the August 26, 1993 hearing, however this case was continued to the September 23, 1993 hearing to provide adequate time for the applicant to seek a voluntary comunitization agreement with certain non-consenting parties in said unit.

(5) Subsequent to the August 26th hearing and prior to the September 23rd hearing the applicant was able to secure voluntary agreement with all mineral interests in the proposed spacing unit.

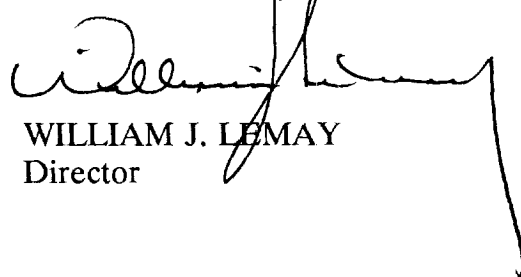
(6) This application should therefore be dismissed.

IT IS THEREFORE ORDERED THAT:

(1) Division Case No. 10800 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

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