

OIL CONSERVATION DIVISION
MERRION OIL & GAS CORPORATION610 REILLY AVE. • P.O. BOX 840
FARMINGTON, NEW MEXICO 87499

90 AUG 24 AM 9 09

CERTIFIED MAIL

August 22, 1990

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

RE: ~~Western No. 5~~
~~660' FNL & 1980' FEL~~
~~SECTION 7, T26N, R11W~~
 San Juan County, New Mexico

Dear Mr. LeMay:

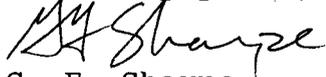
This is a request for administrative approval for a non-standard gas well location and non-standard 160 acre proration unit in the Basin Fruitland Pool.

Merrion Oil & Gas intends to plugback and recomplete the Western #5 well from the Gallegos Gallup pool to the Basin Fruitland Coal Pool. Because other wells in the same section have 160 acre proration units in the Basin Fruitland Coal, this well also requires a non-standard 160 acre proration unit. In addition, because the well is closer than 790 feet to the proration unit boundary, it is in a non-standard location. To comply with the New Mexico Oil Conservation Division rules, Merrion is submitting the following for your approval of this non-standard location and proration unit:

1. C-102 plat showing location of the well;
2. Plat showing offset owners/operators;
3. Affidavit of notification of offset owners/operators;
4. Copy of Well Completion Log for original completion.

A copy of this application is being submitted to all offset owners/operators by certified mail with a request that they furnish your Santa Fe office with a Waiver of Objection, and return one copy to this office.

Sincerely yours,



G. F. Sharpe
 Reservoir Engineer

GFS/eg

New Mexico Oil Conservation Division
August 22, 1990
Page Two

_____ hereby waives objection to Merrion Oil & Gas Corporation's application for a non-standard location for their **WESTERN NO. 5** as proposed above.

By: _____

Date: _____

CC: Well File
Dugan Production Company
Meridian Oil
J. P. McHugh
Beta Development Company

WESTERN NO. 5
660' FNL & 1980' FEL
Section 7, T26N, R11W
San Juan County, New Mexico

I hereby certify that the following offset owners/operators have been notified by certified mail of our application for administrative approval for non-standard gas well location and proration unit for the plugback and recompletion of the above well.

Dugan Production Company
P. O. Box 420
Farmington, New Mexico 87499

Meridian Oil Company
P. O. Box 4289
Farmington, New Mexico 87499

Jerome P. McHugh and Associates
P. O. Box 809
Farmington, New Mexico 87499

Beta Development Company
P. O. Box 1659
Midland, Texas 79701

San Juan County
State of New Mexico



Esther J Greweyes
August 7, 1994



My Commission expires:
March 16, 1993

Submit to Appropriate District Office
 State Lease - 4 copies
 Fee Lease - 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, Artesia, 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 Merrion Oil & Gas Corporation		Lease Western		Well No. 5
Unit Letter B	Section 7	Township 26N	Range 11W	County NMPM San Juan

Actual Footage Location of Well:
660' feet from the **North** line and **1980'** feet from the **East** line

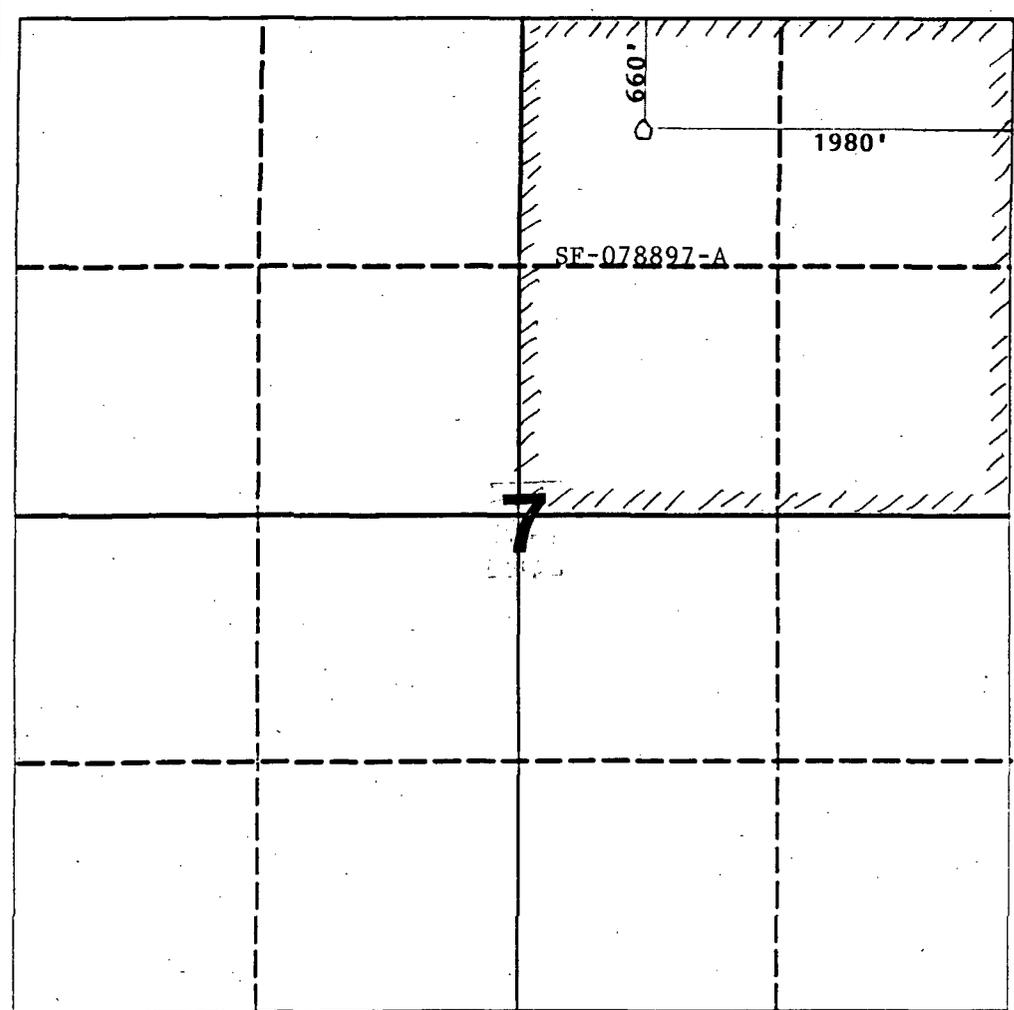
Ground level Elev. 6098'	Producing Formation Fruitland Coal	Pool Basin Fruitland	Dedicated Acreage: 160 Acres
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- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated 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 _____

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, forced-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.

Signature: *George F. Sharpe*

Printed Name: **George F. Sharpe**

Position: **Engineer**

Company: **Merrion Oil & Gas Corp.**

Date: **August 21, 1990**

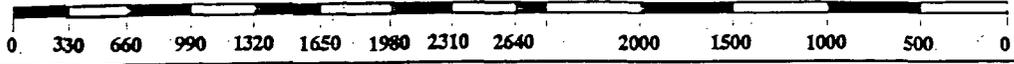
SURVEYOR CERTIFICATION

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.

Date Surveyed: _____

Signature & Seal of Professional Surveyor: _____

Certificate No.: _____



P 565 381 751

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

EG

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to Dugan Production Company	
Street and No. P. O. Box 420	
P.O., State and ZIP Code Farmington, NM 87499	
Postage	\$.45
Certified Fee	1.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.20
Postmark or Date 8/22/90 Western #5 (NSL)	

P 565 381 762

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

EG

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to Meridian Oil Company	
Street and No. P. O. Box 4289	
P.O., State and ZIP Code Farmington, NM 87499	
Postage	\$.45
Certified Fee	1.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.20
Postmark or Date 8/22/90 Western #5 (NSL)	

P 565 381 763

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

EG

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to Jerome P. McHugh	
Street and No. P. O. Box 809	
P.O., State and ZIP Code Farmington, NM 87499	
Postage	\$.45
Certified Fee	1.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.20
Postmark or Date 8/22/90 Western #5 (NSL)	

P 565 381 764

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

EG

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to Beta Development Company	
Street and No. P. O. Box 1659	
P.O., State and ZIP Code Midland, Texas 79701	
Postage	\$.45
Certified Fee	1.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.20
Postmark or Date 8/22/90 Western #5 (NSL)	

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

January 17, 1989

Dugan Production Corp.
P.O. Box 5820
Farmington, NM 87499-5820

Attention: Richard Corcoran, Landman

Administrative Order NSP-1549

Dear Mr. Corcoran:

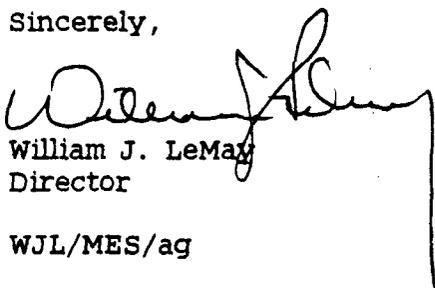
Reference is made to your application of November 18, 1988 for a 158.57-acre non-standard gas proration unit consisting of the following acreage in the Basin Fruitland Coal (Gas) Pool:

SAN JUAN COUNTY, NEW MEXICO
TOWNSHIP 26 NORTH, RANGE 11 WEST, NMPM
Section 7: Lots 1 and 2 and the E/2 NW/4

It is my understanding that this unit is to be dedicated to your Western Federal Well No. 9 which is presently completed in the South Gallegos Fruitland Pool and is located at a previously authorized unorthodox coal gas well location (pursuant to Decretory Paragraph No. (9) of Division Order No. R-8768) 1820 feet from the North line and 820 feet from the West line (Unit E) of said Section 7.

By authority granted me under the provisions of Rule 6 of said Division Order No. R-8768, the above non-standard gas proration unit is hereby approved.

Sincerely,


William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec
NM Oil and Gas Engineering Committee - Hobbs
U.S. Bureau of Land Management - Farmington
Vic Lyon