

OIL CONSERVATION DIVISION

January 8, 1996

Gallegos Law Firm, P. C.  
Attn: Michael J. Condon  
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Kellahin and Kellahin  
Attn: W. Thomas Kellahin  
P. O. Box 2265  
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Re: Case No. 11,434, Application of Meridian Oil, Inc. for an order compulsory pooling all mineral interests in the Blanco-Mesaverde Pool underlying the E/2 of Section 23, Township 31 North, Range 9 West, NMPM, San Juan County, New Mexico, and for an unorthodox infill gas well location within said 320-acre unit.

Dear Messrs. Condon and Kellahin:

Reference is made to Mr. Condon's motion to dismiss (dated November 28, 1995), on behalf of Doyle Hartman and Margaret Hartman, doing business as Doyle Hartman, Oil Operator, the above-referenced case as being outside the statutory authority of the Division and to Meridian Oil, Inc.'s response, which was received by the Division on Friday, January 5, 1996 from Mr. Kellahin.

Subsequent to the Division's review of this matter Case No. 11434 will remain on the Division's docket to be heard at the hearing scheduled for Thursdays, January 11, 1996.

Sincerely,



Michael E. Stogner  
Chief Hearing Officer/Engineer

cc: Oil Conservation Division - Aztec  
Case File 11,434  
William J. LeMay - OCD Director, Santa Fe  
Rand Carroll - General Counsel, OCD, Santa Fe  
William F. Carr, Attorney for Four Star Oil and Gas Company - Santa Fe