

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. 11767

APPLICATION OF MERRION OIL &
GAS CORPORATION FOR COMPULSORY
POOLING, SAN JUAN COUNTY,
NEW MEXICO.

PRE-HEARING STATEMENT

This prehearing statement is submitted by Merrion Oil & Gas Corporation as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Merrion Oil & Gas Corporation

610 Reilly Avenue

Farmington, New Mexico 87401

Attn: George Sharpe

505/327-9801

ATTORNEY

Tommy Roberts

P.O. Box 129

Farmington, New Mexico 87499

505/325-6810

OPPOSITION OR OTHER PARTY

Not Known

ATTORNEY

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with the application and the reasons therefore.)

Applicant seeks an order pooling all minerals interests in the Basin-Fruitland Coal Gas Pool underlying the N/2 of Section 22, Township 32 North, Range 13 West, thereby forming a standard 320 acre spacing and proration unit for said pool. Said unit is to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Applicant as operator of the well and a charge for risk involved in completing said well.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

NOT APPLICABLE TO APPLICANT'S STATEMENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
George F. Sharpe - Petroleum Engineer	30 minutes	- Area Map - Well Location Plat - Lease Ownership Plat - Correspondence - Authority for Expenditure - Operating Agreement - Survey of Drilling/ Producing Rates - Production Map - Structure Map - Evidence of Notice

OPPOSITION

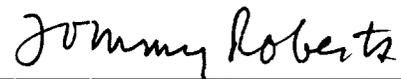
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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NOT APPLICABLE

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PROCEDURAL MATTERS
(Please identify any procedural matters which
need to be resolved prior to the hearing)

NONE



TOMMY ROBERTS, Attorney for
Merrion Oil & Gas Corporation

DATED: April 23, 1997