

KELLAHIN, KELLAHIN AND AUBREY

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

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W. THOMAS KELLAHIN\*  
KAREN AUBREY\*

\*NEW MEXICO BOARD OF LEGAL SPECIALIZATION  
RECOGNIZED SPECIALIST IN THE AREA OF  
NATURAL RESOURCES-OIL AND GAS LAW  
\*ALSO ADMITTED IN ARIZONA

JASON KELLAHIN (RET. RED. 1991)

June 30, 1992

RECEIVED

JUN 18 1992

OIL CONSERVATION DIVISION

Mr. William J. LeMay  
Oil Conservation Division  
State Land Office Building  
310 Old Santa Fe Trail, Room 218  
Santa Fe, New Mexico 87501

HAND DELIVERED

Case 10510

RE: Application of Meridian Oil Inc.  
for Downhole Commingling and for an  
Administrative Downhole Commingling Procedure  
for the Huerfano Unit, San Juan County, New  
Mexico.

Dear Mr. LeMay:

On behalf of Meridian Oil Inc., we would appreciate you setting the enclosed Application for a public hearing on the Division's Examiner's docket now scheduled for July 23, 1992.

By copy of this letter to all affected parties, we are notifying them by certified mail-return receipt, 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. Those parties are directed to file a pre-hearing statement with the Division and send a copy to the undersigned not later than 4:00 PM on July 17, 1992.

Sincerely



W. Thomas Kellahin

Mr. William J. LeMay  
June 230, 1992  
Page 2

WTK/kkl  
Enclosure  
1trt630.330

xc: Alan Alexander

Certified mail return receipt requested  
to all parties listed on Exhibit C of the  
application.

KELLAHIN, KELLAHIN AND AUBREY

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SANTA FE, NEW MEXICO 87504-2265

RECEIVED

JASON KELLAHIN (RETIRED 1991)

April 21, 1992

APR 21 1992

OIL CONSERVATION DIV.  
SANTA FE

Mr. William J. LeMay  
Oil Conservation Division  
State Land Office Building  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87502

HAND DELIVERED

RE: Administrative Application  
by Meridian Oil, Inc  
for Downhole Commingling  
Huerfano Unit #131  
Unit D, Section 34, T26N, R10W  
San Juan County, New Mexico

Case 10510

Dear Mr. LeMay:

On behalf of Meridian Oil, Inc., please find enclosed for administrative processing the referenced application for downhole commingling of production from the Gallup and Dakota formations in the subject well.

Because this spacing unit and all adjoining spacing units are within the Huerfano unit, we request that the Division dispense with the 20-day notice period.

Very truly yours,



W. Thomas Kellahin

WTK/jcl  
Enclosure

xc: with Enclosure

Alan Alexander, Meridian Oil, Inc. - Farmington  
Bureau of Land Management - Farmington office

appt421.330

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:

RECEIVED

JUL 1 1992

OIL CONSERVATION DIVISION

CASE NO. 10510

**APPLICATION OF MERIDIAN OIL INC.  
FOR DOWNHOLE COMMINGLING AND FOR  
AN ADMINISTRATIVE DOWNHOLE COMMINGLING  
PROCEDURE WITHIN THE HUERFANO SAND UNIT  
AREA, SAN JUAN COUNTY, NEW MEXICO**

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by MERIDIAN OIL  
INC. as required by the Oil Conservation Division.

**APPEARANCE OF PARTIES**

**APPLICANT**

MERIDIAN OIL INC.  
P.O. Box 4289  
Farmington, NM 87499  
ATTN: Alan Alexander

**ATTORNEY**

W. Thomas Kellahin  
KELLAHIN, KELLAHIN & AUBREY  
P.O. Box 2265  
Santa Fe, NM 87504  
(505) 982-4285

**OPPOSITION OR OTHER PARTY**

**ATTORNEY**

N/A

**STATEMENT OF CASE**

APPLICANT

Applicant, Meridian Oil Inc. ("Meridian") seeks approval to commingle gas production from the Undesignated Gallegos-Gallup Associated Pool and the Basin-Dakota Pool within the wellbore of its Huerfano Unit Well No. 131 located 800 feet from the North line and 990 feet from the West line (Unit D) of Section 34, Township 26 North, Range 10 West, NMPM. The N/2 of said Section 34, forming a standard 320-acre spacing and proration unit for both zones, is to be dedicated to said well. Further, Meridian seeks the adoption of an administrative procedure for authorizing the downhole commingling of Gallup and Dakota production in the wellbores of existing and subsequently drilled wells within the Huerfano Unit Area located in portions of Township 25, 26, and 27 North, Ranges 9, 10 and 11 West.

OPPOSITION OR OTHER PARTY

N/A

**PROPOSED EVIDENCE**

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
John Zendt Landman	15 Minutes	3
Mike Dawson Geologist	20 Minutes	7
Jimmy Smith Reservoir Engineer	30 Minutes	3

OPPOSITION

WITNESSES	EST. TIME	EXHIBITS
SEE OPPOSITION FILING		

**PROCEDURAL MATTERS**

None applicable at this time.

KELLAHIN, KELLAHIN & AUBREY

By: 

W. Thomas Kellahin

P.O. Box 2265

Santa Fe, New Mexico 87504

(505) 982-4285

ATTORNEYS FOR APPLICANT

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR



POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

September 3, 1992

KELLAHIN, KELLAHIN & AUBREY  
Attorneys at Law  
P. O. Drawer 2265  
Santa Fe, New Mexico 87504

RE: CASE NO. 10510, CASE NO. 10511,  
ORDER NO. R-9711, ORDER NO. R-9712,

Dear Sir:

Enclosed herewith are two copies of the each of the above-referenced Division order recently entered in the subject case.

Sincerely,

A handwritten signature in cursive script, appearing to read "Florene Davidson".

Florene Davidson  
OC Staff Specialist

FD/sl

cc: BLM - Farmington, Carlsbad  
OCD Aztec Office  
Steve Keene