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October 10, 1989

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HAND-DELIVERED

Mr. William J. LeMay
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

RECEIVED

OCT 10 1989

OIL CONSERVATION DIVISION

Re: Meridian Oil Inc.
for Unorthodox Gas Well Location
and Non-Standard Proration and
Spacing Unit, Blanco Mesaverde Pool
San Juan County, New Mexico

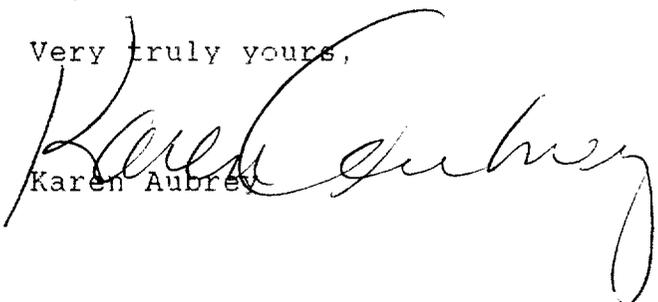
Dear Mr. LeMay:

On behalf of Meridian Oil Inc., please set the enclosed application for hearing at the next available examiner's docket now set for November 1, 1989.

By copy of this letter and application sent certified mail, return-receipt requested, we are notifying each of them of the right to appear at the hearing either in support of or in opposition to this application.

Should any such party desire more information about this matter or about the procedures to hearing this application, they may call the Division or the undersigned.

Very truly yours,


Karen Aubrey

WTK/tic

cc: Mr. Allan Alexander
Meridian Oil Inc.
P.O. Box 4289
Farmington, New Mexico 87499-4289

"Certified-Return Receipt Requested"

Amoco Production Company
P. O. Box 800
Denver, Colorado 80201

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

RECEIVED
OCT 10 1966
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF MERIDIAN OIL INC. FOR APPROVAL
OF AN UNORTHODOX LOCATION AND A
NON-STANDARD PRORATION AND SPACING
UNIT, BLANCO MESAVERDE POOL, SAN
JUAN COUNTY, NEW MEXICO

CASE NO. 9864

A P P L I C A T I O N

COMES NOW MERIDIAN OIL INC., by and through its attorneys, KELLAHIN, KELLAHIN & AUBREY, and applies to the New Mexico Oil Conservation Division for approval of an unorthodox location and non-standard spacing and proration unit in the Blanco Mesaverde Pool for the Quigley #1 R Well, to be drilled at an unorthodox location 945' FSL and 1210' FWL of Section 6, T30N, R9W, San Juan County, New Mexico with the subject non-standard unit consisting of 299.85 acres, more or less being described as follows:

Section 6: W/2

Section 7: NW/4

1. Applicant is a working interest owner and operator of the described non-standard proration and spacing unit.

2. As a result of governmental surveys, the northern side of Township 30 North, Range 9 West, consists of a series of irregularly shaped lots, each of which contains more or less than 40 acres, resulting in the necessity for a

proration and spacing unit for the described acreage which consists of parts of two sections, contrary to the OCD rules for a Blanco Mesaverde gas well.

3. The subject non-standard proration and spacing unit has been previously approved for Mesaverde production.

4. Due to existing wells and archaeological considerations and surface obstructions, Applicant proposes to drill its Quigley #1 R Well at an unorthodox gas well location 945' FSL and 1210' FWL, SE/4 SW/4 of Section 6, T30N, R9W, San Juan County, New Mexico.

5. Applicant proposes to dedicate the W/2 of Section 6 and the NW/4 of Section 7, T30N, R9W to the well.

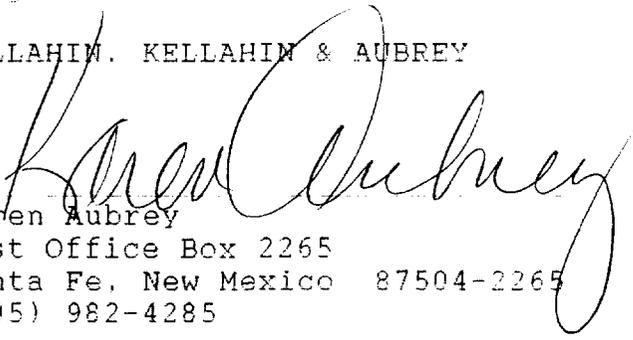
6. Attached as Exhibit A is a plat showing the described acreage and the proposed well location.

7. Amoco Production Company, Post Office Box 800, Denver, Colorado 80201 is the only offsetting operator who is required by Division rules to receive notification of this application.

8. Pursuant to Division notice rules, a copy of this application was mailed by certified mail, return-receipt requested, to Amoco at the above address.

WHEREFORE. Applicant requests that after notice and hearing, the application be granted.

KELLAHIN, KELLAHIN & AUBREY

By: 
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