

Alan

KELLAHIN, KELLAHIN AND AUBREY

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

June 4, 1990

W. THOMAS KELLAHIN
KAREN AUBREY

CANDACE HAMANN CALLAHAN

JASON KELLAHIN
OF COUNSEL

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

HAND-DELIVERED

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

RECEIVED

JUN 05 1990

OIL CONSERVATION DIV.
SANTA FE

Re: Meridian Oil, Inc.'s Application
for Fourteen (14) Non-Standard Spacing and
Proration Units, Basin Fruitland Coal Gas 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 June 27, 1990.

We suggest the following to be used for the advertisement for this case:

Application of Meridian Oil, Inc. for fourteen non-standard spacing and proration units, San Juan County, New Mexico. Applicant in the above-styled cause seeks approval of fourteen non-standard spacing and proration units for wells in Sections 7 through 12, 18, 19, 30 and 31 of T32N, R9W; Sections 6 and 18, T31N, R9W; and Section 11 and 12, T32N, R10W, San Juan County, New Mexico. Said locations are approximately miles from _____.

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

Examiner	_____
Case No.	9975
EXHIBIT NO.	1

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OIL CONSERVATION DIV.
SANTA FE

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF MERIDIAN OIL, INC. FOR
APPROVAL OF FOURTEEN NON-STANDARD
PRORATION AND SPACING UNITS, BASIN
FRUITLAND COAL GAS POOL,
SAN JUAN COUNTY, NEW MEXICO

CASE NO. _____

APPLICATION

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 fourteen non-standard
proration and spacing units in the Basin Fruitland Coal Gas Pool
as follows:

<u>Description</u>	<u>Acres</u>
Lot 7 thru 18 (ALL) Section 7, T32N, R9W	288.73
Lot 5 thru 16 (ALL) Section 8, T32N, R9W	354.47
Lot 5 thru 16 (ALL) Section 9, T32N, R9W	362.28
Lot 5 thru 16 (ALL) Section 10, T32N, R9W	367.84
Lot 5 thru 16 (ALL) Section 11, T32N, R9W	369.19
Lot 5 thru 16 (ALL) Section 12, T32N, R9W	400.65
Lot 7 thru 10 (W/2) Section 18, T32N, R9W	212.62
Lot 15 thru 18	
Lot 7 thru 10, (W/2) Section 19, T32N, R9W	206.48
Lot 15 thru 18	
Lot 7 thru 10, (W/2) Section 30, T32N, R9W	196.56
Lot 15 thru 18	
Lot 7 thru 10, (W/2) Section 31, T32N, R9W	205.66
Lot 15 thru 18	
Lot 10 thru 13, (W/2) Section 6, T31N, R9W	201.15
Lot 17 thru 20	
Lot 7 thru 10, (W/2) Section 18, T31N, R9W	201.47
Lot 15 thru 18	
Lot 5 thru 12 (S/2) Section 11, T32N, R10W *	328.30
Lot 5 thru 12 (S/2) Section 12, T32N, R10W *	335.52

1. Applicant is a working interest owner and the operator of the fourteen spacing units.

2. As a result of governmental surveys, the northern and western sides of T32N, R9W and the northern side of T32N, R10W and T32N, R8W, consist of a series of irregularly shaped lots, each of which contains more or less than 40 acres, resulting in the necessity for proration and spacing units, which are contrary to the Oil Conservation Division rules for Basin Fruitland Coal gas wells.

3. Applicant proposes to dedicate the acreage described above to Basin Fruitland Coal Gas Wells as shown on Exhibit B.

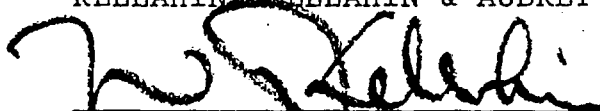
4. Attached as Exhibit B is a plat showing all of the acreage dedicated to the subject wells and the surrounding acreage

5. Attached as Exhibit A is a list of all offsetting owners and/or operators who are required by Division rules to receive notification of this application.

6. Pursuant to Division rules, a copy of this application was mailed by certified mail, return-receipt requested, to all parties listed on Exhibit A.

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

KELLAHIN, KELLAHIN & AUBREY



W. Thomas Kellahin
Post Office Box 2265
Santa Fe, New Mexico 87504-2265
(505) 982-4285
Attorneys for Meridian Oil, Inc.

EXHIBIT A

Amoco Production Company
Attention: Southern Division
 Production Manager
Post Office Box 800
Denver, Colorado 80201

Arco Oil & Gas Company
Attention: Pat Miller
Post Office Box 1610
Midland, Texas 79702

Conoco, Inc.
Exploration & Production, NA
One Lakeview Energy Center
3817 NW Expressway
Oklahoma City, OK 73112

Union Texas Petroleum
Attention: Jt. Interest
P.O. Box 2120
Houston, Texas 77252-2120

Northwest Pipeline Corp.
Attention: Mr. Paul Thompson
3539 East 30th Street
Farmington, New Mexico 87401

Koch Exploration Company
Post Office Box 2256
Wichita, Kansas 67201

R 10 W

R 9 W

R 8 W

T 32 N

T 32 N

T 31 N

Colo.

N. Mex.

San Juan 32-9 Unit

MERIDIAN EXHIBIT B

