

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

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

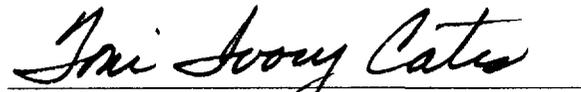
CASE NO. 9975

CERTIFICATE OF MAILING  
AND  
COMPLIANCE WITH ORDER R-8054

In Accordance with Division Rule 1207 (Order R-8054) I hereby certify that on June 5, 1990, I caused to be mailed by certified mail return-receipt requested notice of this hearing and a copy of the Application for the above referenced case along with the cover letter, at least twenty days prior to the hearing set for June 27, 1990, to the parties shown in the Application as evidenced by the attached copies of return receipt cards.

  
W. Thomas Keillahin

SUBSCRIBED AND SWORN to before me this 26 day of June, 1990.

  
Notary Public

My Commission Expires:

7-6-91

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION
Meridian EXHIBIT NO. <u>5</u>
CASE NO. <u>9975</u>

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address. (Extra charge) 2.  Restricted Delivery (Extra charge)

3. Article Addressed to:  
Amoco Production Co.  
P.O. Box 800  
Denver, CO 80201  
Attn: Southern Division Production Manager  
WTK-Merid-Non-stand proration

4. Article Number  
P 572 124 957

Type of Service:  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED

5. Signature - Addressee  
X

6. Signature - Agent  
X

7. Date of Delivery

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Apr 1989 U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

ILLEGIBLE

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address. (Extra charge) 2.  Restricted Delivery (Extra charge)

3. Article Addressed to:  
Conoco, Inc.  
Exploration & Prod., NA  
One Lakeview Energy Ctr.  
3817 NW Expressway  
Oklahoma City, OK 73112  
WTK-Merid-Non-standard proration units

4. Article Number  
P 572 124 958

Type of Service:  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED

5. Signature - Addressee  
X

6. Signature - Agent  
X

7. Date of Delivery  
6-11-90

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Apr 1989 U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address. (Extra charge) 2.  Restricted Delivery (Extra charge)

3. Article Addressed to:  
Northwest Pipeline Corp.  
3539 East 30th Street  
Farmington, NM 87401  
Attn: Mr. Paul Thompson  
WTK-Merid- non-standard proration units

4. Article Number  
P 572 124 862

Type of Service:  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED

5. Signature - Addressee  
X

6. Signature - Agent  
X

7. Date of Delivery  
6-7-90

8. Addressee's Address (ONLY if requested and fee paid)

Fee not paid

PS Form 3811, Apr 1989 U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address. (Extra charge) 2.  Restricted Delivery (Extra charge)

3. Article Addressed to:  
Union Texas Petroleum  
P.O. Box 2120  
Houston, Texas 77252-2120  
WTK-Merid-Non-standard proration units

4. Article Number  
P 572 124 863

Type of Service:  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee  
X

6. Signature - Agent  
X *[Signature]*

7. Date of Delivery  
JUN 11 1990

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Apr. 1989 U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address. (Extra charge) 2.  Restricted Delivery (Extra charge)

3. Article Addressed to:  
Koch Exploration Co.  
P.O. Box 2256  
Wichita, Kansas 67201  
WTK-Merid-Non-standard proration units

4. Article Number  
P 572 124 865

Type of Service:  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee  
X

6. Signature - Agent  
X *[Signature]*

7. Date of Delivery  
JUN 11 1990

8. Addressee's Address (ONLY if requested and fee paid)  
Fee Not Paid

PS Form 3811, Apr. 1989 U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

PS Form 3800, June 1985 U.S.G.P.O. 1989-234-555

Postmark or Date	WTK-Merid-Non-standard proration units
Return Receipt showing to whom, Date, and Address of Delivery	
Restricted Delivery Fee	
Special Delivery Fee	
Certified Fee	.85
Postage	\$ 4/5
TOTAL Postage and Fees	\$ 2.00

P 572 124 864

**RECEIPT FOR CERTIFIED MAIL**  
NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

ILLEGIBLE

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

CASE NO. 9975  
ORDER NO. R-9222-A-1

APPLICATION OF MERIDIAN OIL, INC.  
FOR FOURTEEN NON-STANDARD GAS PRORATION  
UNITS, SAN JUAN COUNTY NEW MEXICO

NUNC PRO TUNC ORDER

BY THE DIVISION:

It appearing to the Division that Order No. R-9222 dated July 13, 1990, does not correctly state the intended order of the Division,

IT IS THEREFORE ORDERED THAT:

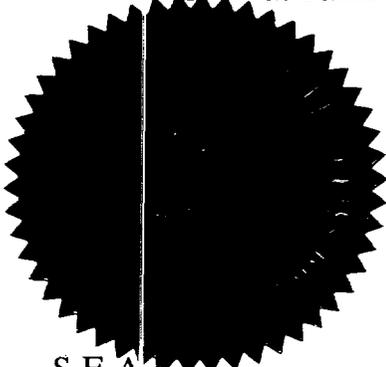
(1) The amount of acreage for the non-standard gas spacing and proration unit described in Decretory Paragraph No. (1) on Page 4 of said Order No. R-9222 as Tract 1 in Township 31 North, Range 9 West, NMPM, San Juan County, New Mexico, comprising Lots 10 through 13 and 17 through 20 (W/2 equivalent) of Section 6 is hereby amended to read 208.15 acre, not 201.15.

(2) The corrections set forth in this order be entered nunc pro tunc as of July 13, 1990.

IT IS FURTHER ORDERED THAT:

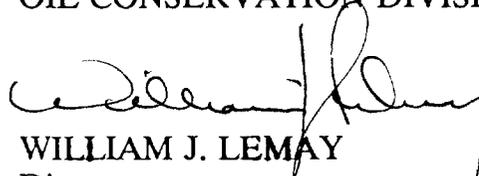
(3) Previous Division Nunc Pro Tunc Order No. R-9222-A dated November 7, 1990 is hereby rescinded.

DONE at Santa Fe, New Mexico, on this 11th day of January, 1991.



SEAL

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
WILLIAM J. LEMAY  
Director

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

CASE NO. 9975  
ORDER NO. R-9222-A

*APPLICATION OF MERIDIAN OIL INC.  
FOR FOURTEEN NON-STANDARD GAS  
PRORATION UNITS, SAN JUAN COUNTY,  
NEW MEXICO*

NUNC PRO TUNC ORDER

BY THE DIVISION:

It appearing to the Division that Order No. R-9222 dated July 13, 1990, does not correctly state the intended order of the Division,

IT IS THEREFORE ORDERED THAT:

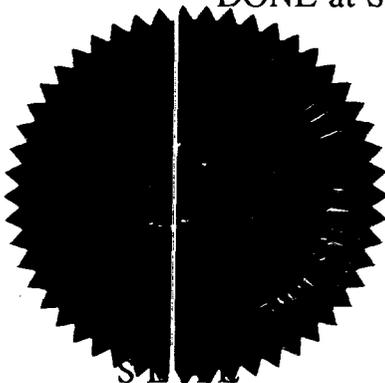
(1) The amount of acreage for the non-standard gas spacing and proration unit described in Decretory Paragraph No. (1) on Page 4 of said Order No. R-9222 as Tract 1 in Township 31 North, Range 6 West, NMPM, San Juan County, New Mexico, comprising Lots 10 through 13 and 17 through 20 (W/2 equivalent) of Section 6 is hereby amended to read 208.15 acres, not 201.15.

(2) The corrections set forth in this order be entered nunc pro tunc as of July 13, 1990.

DONE at Santa Fe, New Mexico, on this 7<sup>th</sup> day of November, 1990.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
WILLIAM J. LEMAY  
Director



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. 9975  
Order No. R-9222

APPLICATION OF MERIDIAN OIL INC.  
FOR FOURTEEN NON-STANDARD GAS  
PRORATION UNITS, SAN JUAN COUNTY,  
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on June 27, 1990, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 13<sup>th</sup> day of July, 1990, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) The applicant, Meridian Oil Inc., seeks to establish fourteen non-standard gas spacing and proration units for Basin-Fruitland Coal Gas Pool production in Sections 7 through 12, 18, 19, 30 and 31, Township 32 North, Range 9 West; Sections 6 and 18, Township 31 North, Range 9 West; and Sections 11 and 12, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico.

CASE NO. 9975  
Order No. R-9222  
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(3) The evidence presented indicates that due to variations in the legal subdivision of the United States Public Lands Survey, the west halves of Sections 7, 18, 19, 30 and 31 of Township 32 North, Range 9 West, and the west halves of Sections 6 and 18, Township 31 North, Range 9 West, NMPM, San Juan County, New Mexico, are irregular in size.

(4) The evidence further indicates that due to variations in the legal subdivision of the United States Public Lands Survey and the presence of the New Mexico-Colorado Border, Sections 7 through 12, Township 32 North, Range 9 West, and Sections 11 and 12, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico, are also irregular in size.

(5) The size and shapes of the various sections described in Finding Nos. (3) and (4) above preclude the formation of standard 320-acre gas spacing and proration units.

(6) The proposed non-standard gas proration units, with the exception of those included within Sections 7, 8, 11 and 12, Township 32 North, Range 9 West, NMPM, have previously been approved by the Division for use in developing gas reserves in the Blanco-Mesaverde and/or Basin-Dakota Gas Pools, and have proven to be effective in promoting orderly development in this area.

(7) The applicant currently operates all of the acreage contained within each of the proposed non-standard gas proration units and proposes to drill a Basin-Fruitland Coal Gas Pool well at a standard gas well location in each of said proposed non-standard gas proration units.

(8) No offset operator and/or interest owner appeared at the hearing in opposition to the application.

(9) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Basin-Fruitland Coal Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

CASE NO. 9975  
 Order No. R-9222  
 Page -3-

IT IS THEREFORE ORDERED THAT:

(1) The following described non-standard gas spacing and proration units in the Basin-Fruitland Coal Gas Pool, San Juan County, New Mexico, are hereby established:

TOWNSHIP 32 NORTH, RANGE 9 WEST, NMPM

<u>TRACT</u>	<u>ACREAGE</u>	<u>DESCRIPTION</u>
1	288.73	Section 7: All
2	354.47	Section 8: All
3	362.28	Section 9: All
4	367.84	Section 10: All
5	369.19	Section 11: All
6	400.52	Section 12: All
7	212.62	Section 18: Lots 7 through 10 Lots 15 through 18 (W/2 equivalent)
8	206.48	Section 19: Lots 7 through 10 Lots 15 through 18 (W/2 equivalent)
9	196.56	Section 30: Lots 7 through 10 Lots 15 through 18 (W/2 equivalent)
10	205.66	Section 31: Lots 7 through 10 Lots 15 through 18 (W/2 equivalent)

CASE NO. 9975  
 Order No. R-9222  
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TOWNSHIP 31 NORTH, RANGE 9 WEST, NMPM

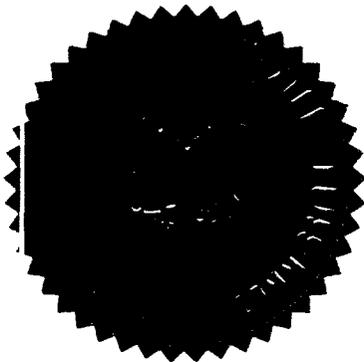
1	201.15	Section 6: Lots 10 through 13 Lots 17 through 20 (W/2 equivalent)
2	201.47	Section 18: Lots 7 through 10 Lots 15 through 18 (W/2 equivalent)

TOWNSHIP 32 NORTH, RANGE 10 WEST, NMPM

1	328.30	Section 11: All
2	335.52	Section 12: All

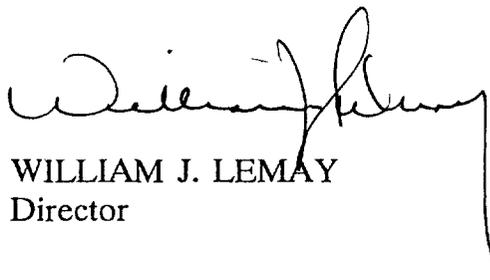
(3) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



S E A L

STATE OF NEW MEXICO  
 OIL CONSERVATION DIVISION

  
 WILLIAM J. LEMAY  
 Director