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ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

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W. THOMAS KELLAHIN  
KAREN AUBREY

CANDACE HAMANN CALLAHAN

JASON KELLAHIN  
OF COUNSEL

November 1, 1990

HAND DELIVERED

Mr. William J. LeMay  
Oil Conservation Division  
Post Office Box 2088  
Santa Fe, New Mexico 87504

Re: Meridian Oil Inc.  
for Compulsory Pooling  
Frost No. 501 Well  
E/2 Section 25, T27N, R10W  
San Juan County, New Mexico

RECEIVED

NOV 1 1990

OIL CONSERVATION DIVISION

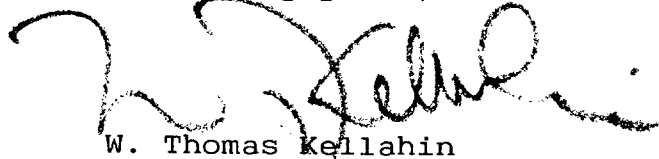
10172

Dear Mr. LeMay:

On behalf of Meridian Oil Inc. please find enclosed our application for Compulsory Pooling which we would request be set for hearing on the next available Examiner's docket now scheduled for November 28, 1990.

By copy of this letter to all parties to be pooled, we are notifying them by certified mail, return-receipt requested, 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. In addition, they are advised that the entry of a Compulsory Pooling Order will affect their rights to share in the production from the subject well.

Very truly yours,



W. Thomas Kellahin

WTK/tic  
Enclosure

Mr. William J. LeMay  
November 1, 1990  
Page 2

cc: Mr. Alan Alexander  
Meridian Oil Inc.  
Post Office Box 4289  
Farmington, New Mexico 87499

Certified Mail Return-Receipt  
All parties listed in Exhibit A  
of the Application, w/encl.

OIL CONSERVATION  
RENEWABLE  
ON DIVISION UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL  
WELL ☐

GAS  
WELL ☒

OTHER

SINGLE  
ZONE ☐

MULTIPLE  
ZONE ☐

2. NAME OF OPERATOR

McKenzie Methane Corporation

3. ADDRESS OF OPERATOR

1911 Main Suite 255 Durango, CO 81301

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface 790' FNL, 790' FEL

At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

10 miles SE of Bloomfield, NM

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT. 790'  
(Also to nearest drig. unit line, if any)

16. NO. OF ACRES IN LEASE

382.16

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

e/2 320 302.16

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

900'

19. PROPOSED DEPTH

2450'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

This action is subject to technical and 6530' GR  
procedural review pursuant to 43 CFR 3165.3  
and appeal pursuant to 43 CFR 3165.4.

22. APPROX. DATE WORK WILL START\*

9/15/90

PROPOSED CASING AND CEMENTING PROGRAM

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED  
"GENERAL REQUIREMENTS"

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	260'	175 sx B (207 cu ft)
7 7/8"	4 1/2"	10.5#	2450'	300 sx 6 5/35 poz +125 sx 50/50 poz (710 cu ft)

RECEIVED  
SEP 11 1990  
OIL CON. DIV.  
DIST. 3

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TJ/508

TITLE Operations Manager

DATE 08/18/90

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

NMOCD

\*See Instructions On Reverse Side

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

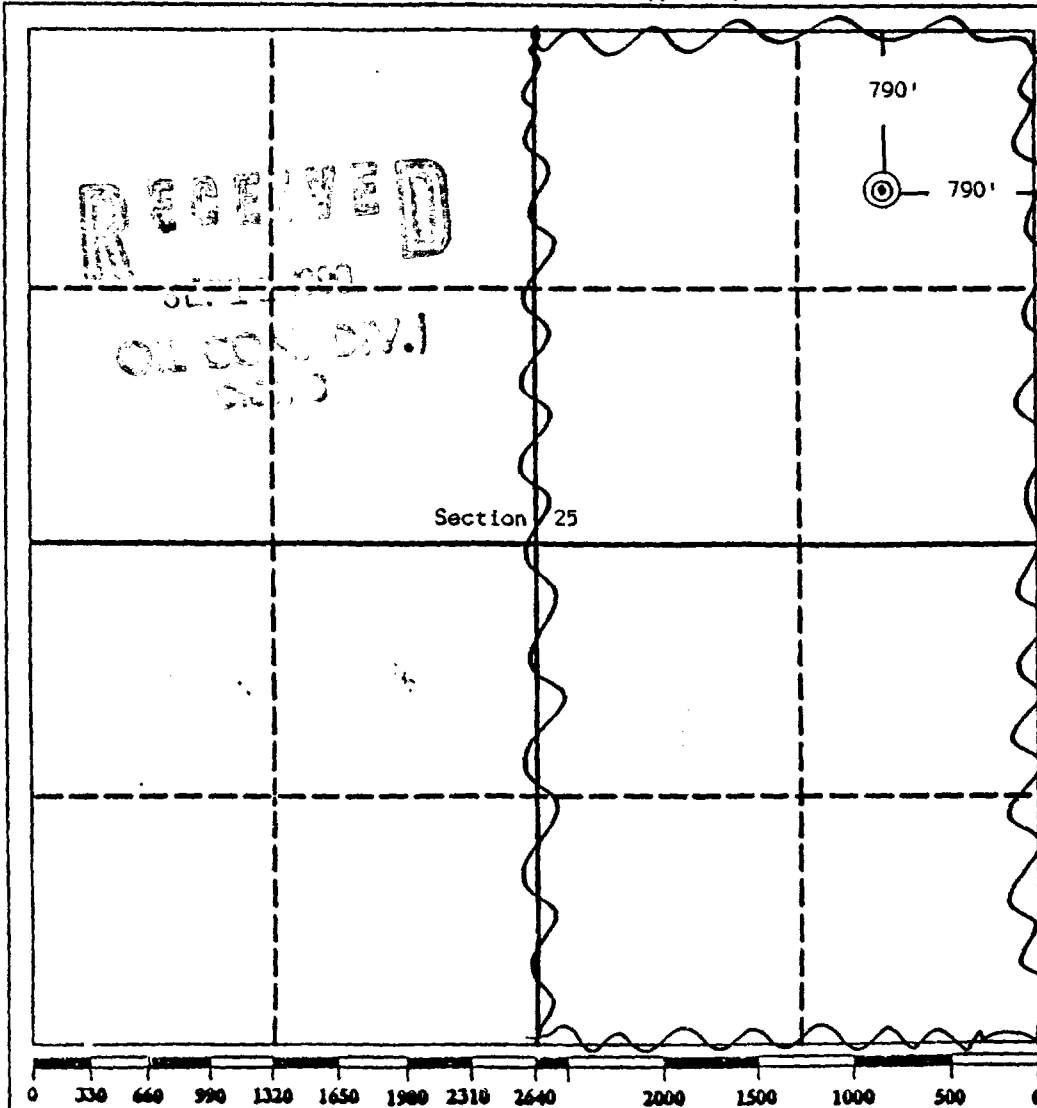
DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator McKenzie Methane Corporation			Lease Angel Peak 25 A		Well No. 15
Unit Letter A	Section 25	Township 27 North	Range 10 West	County San Juan	
Actual Footage Location of Well: 790 feet from the North line and 790 feet from the East line					
Ground level Elev. 6530	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal	Dedicated Acreage: E/2 320 302.16 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?  
☐ Yes ☐ No If answer is "yes" type of consolidation \_\_\_\_\_  
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)  
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Printed Name

Robert J. Sagle

Position

Operations Manager

Company

McKenzie Methane Corp.

Date

8/10/90

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

May 16, 1990

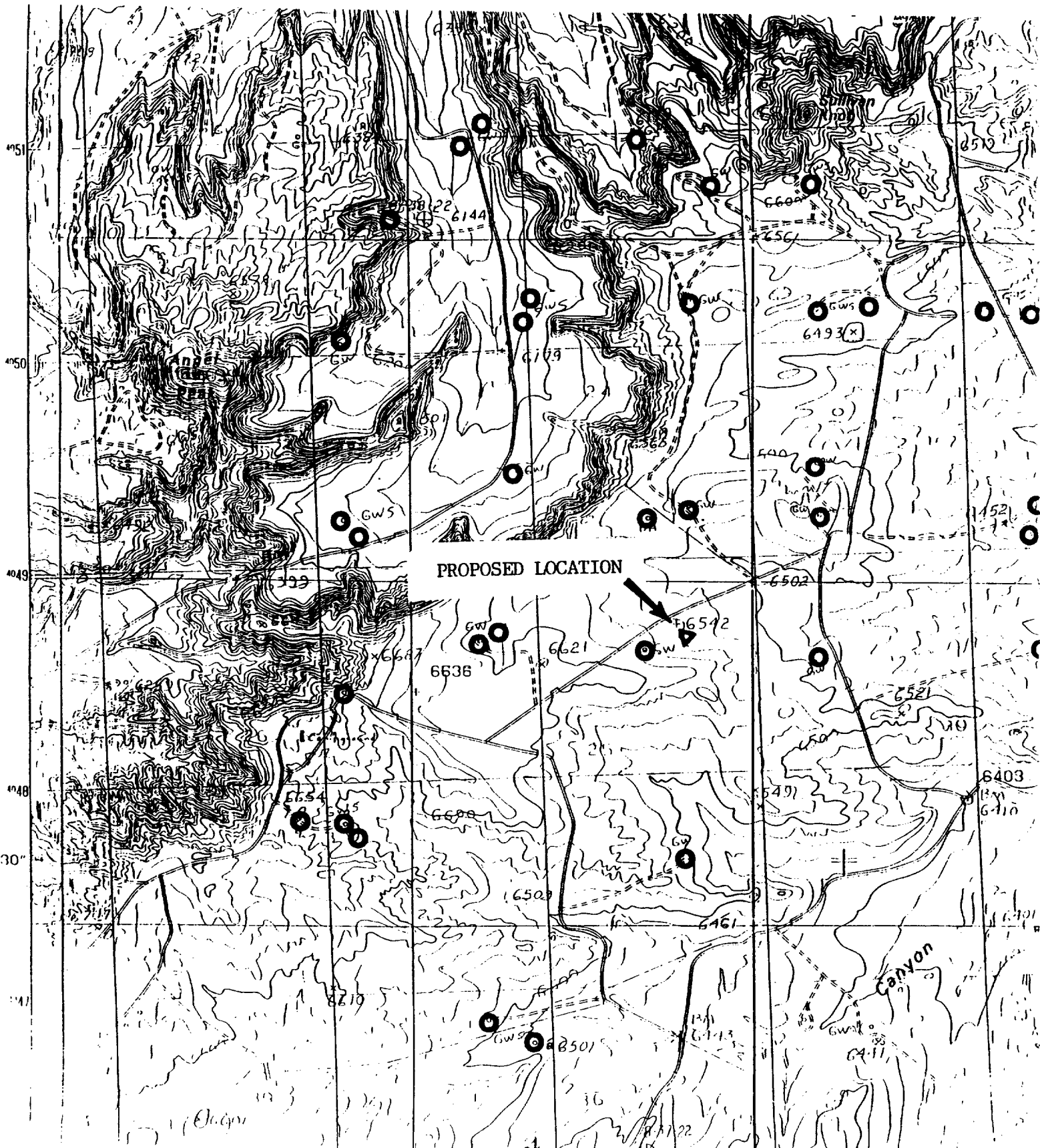
Signature & Seal of  
Professional Surveyor

EDGAR L. RISENHOOVER  
NEW MEXICO  
Surveyor No. 5179  
Edgar L. Risenhoover, P.S.

MCKENZIE METHANE CORPORATION  
1911 Main #255 Durango, CO 81301

MCKENZIE METHANE CORPORATION  
NE/4 Section 25  
T27N, R10W San Juan Co., NM

ANGEL PEAK 25A #15





STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

December 3, 1990

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

Mr. Thomas Kellahin  
Kellahin, Kellahin & Aubrey  
Attorneys at Law  
Post Office Box 2265  
Santa Fe, New Mexico

Re: CASE NO. 10172  
ORDER NO. R-9378

Applicant:

Meridian Oil Inc.

Dear Sir:

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

Sincerely,

*Florene Davidson*

FLORENE DAVIDSON  
OC Staff Specialist

Copy of order also sent to:

Hobbs OCD x  
Artesia OCD x  
Aztec OCD x

Other \_\_\_\_\_  
\_\_\_\_\_

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. 10172  
Order No. R-9378

APPLICATION OF MERIDIAN OIL INC.  
FOR COMPULSORY POOLING, SAN JUAN  
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on November 28, 1990,  
at Santa Fe, New Mexico, before Examiner Jim Morrow.

NOW, on this 30th day of November, 1990, the Division  
Director, having considered the record and the recommendations of the  
Examiner, and being fully advised in the premises,

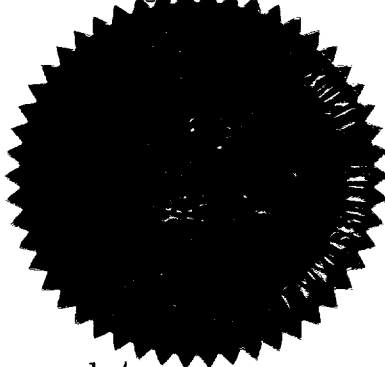
FINDS THAT:

The applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED THAT:

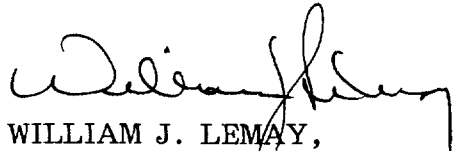
Case No. 10172 is hereby dismissed.

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



dr/

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
WILLIAM J. LEMAY,  
Director