



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

GARREY CARRUTHERS
GOVERNOR

October 26, 1990

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

Maralex Resources, Inc.
518 17th Street
Suite 1030
Denver, CO 80202

Case 10174

Attention: A.M. O'Hare

RE: Application for an Unorthodox Coal Gas Well Location; Oxnard W.N. Federal Well No. 9, 622' FSL - 1545' FWL (Unit N) Section 13, Township 27 North, Range 8 West, NMPM, San Juan County, New Mexico.

Dear Mr. O'Hare:

Reference is made to our telephone conversation concerning the subject application on Friday, October 26, 1990, where it is my understanding that the reason for the unorthodox location is strictly for economic purposes, or to allow for a single "pumper" to monitor this well along with other wells in this area; and not for topographic reasons as stated in your application. There appears to be adequate locations available to the north on top of the Encinada Mesa.

Knowing the reason for this application and with the information provided, the Division cannot process this application administratively. Therefore, this matter will be set for hearing before a Division Examiner on the next available docket, which is scheduled for November 28, 1990.

Please provide adequate notice for such applications prior to the hearing as required by Division General Rule 1207.

Sincerely,

Michael E. Stogner
Chief Hearing Officer

MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington



ON DIVISION
ED

'90 NOV 9 AM 8 35

518 17th St., Suite 1030
Denver, Colorado 80202
(303) 571-4220

November 7, 1990

State of New Mexico
Energy, Minerals and Natural Resources Dept.
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

Case 10174

Attn: William J. Lemay

Re: Unorthodox Locations
Hammond W.N. Fed No. 11
Oxnard W.N. Fed No. 9
Township 27 North, Range 8 West
San Juan County, NM

Gentlemen:

To comply with your letters dated October 26, 1990, Maralex Resources, Inc. (Maralex) hereby submits by facsimile, notification as required by Rule 1207 to offset operators of your desire to set these matters for hearing on November 28, 1990. As of this date all information regarding these locations is the same as provided in our applications for the unorthodox locations dated October 5, 1990.

Please be advised that Western Oil and Minerals, Ltd., has agreed to sell all of its rights, title and interest in the offsetting locations to Maralex. We expect to have the purchase of their acreage closed prior to the hearing date and are therefore not providing Western Oil and Minerals, Ltd. with this notification.

We look forward to the opportunity to discuss these applications further with you on the 28th of November. Please let us know whether additional information will be needed prior to the hearing date.

Sincerely,

A handwritten signature in cursive script that reads 'A. M. O'Hare'.

A. M. O'Hare, P.E.
President
Maralex Resources, Inc.

cc: see attached

Meridian Oil, Inc.	(505) 326-9833
Great Lakes Chemical Corp.	(317) 497-6234
Ibex Partnership	(817) 559-3220
Bureau of Land Management	(505) 327-2922

HM

HINKLE, COX, EATON, COFFIELD & HENSLEY

ATTORNEYS AT LAW

218 MONTEZUMA

POST OFFICE BOX 2068

SANTA FE, NEW MEXICO 87504-2068

(505) 982-4554

FAX (505) 982-8623

OF COUNSEL
O. M. CALHOUN*
MACK EASLEY
JOE W. WOOD
RICHARD S. MORRIS

CLARENCE E. HINKLE (1901-1985)
W. E. BONDURANT, JR. (1913-1973)
ROY C. SNODGRASS, JR. (1914-1987)

November 27, 1990

700 UNITED BANK PLAZA
POST OFFICE BOX 10
ROSWELL, NEW MEXICO 88202
(505) 622-6510
FAX (505) 623-9332

2800 CLAYDESTA NATIONAL BANK BUILDING
POST OFFICE BOX 3580
MIDLAND, TEXAS 79702
(915) 683-4691
FAX (915) 683-6518

1700 TEAM BANK BUILDING
POST OFFICE BOX 9238
AMARILLO, TEXAS 79105
(806) 372-5569
FAX (806) 372-9761

500 MARQUETTE N.W., SUITE 800
ALBUQUERQUE, NEW MEXICO 87102-2121
(505) 768-1500
FAX (505) 768-1529

LEWIS C. COX
PAUL W. EATON
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
ERIC D. LANPHERE
C. D. MARTIN
PAUL J. KELLY, JR.
MARSHALL G. MARTIN
OWEN M. LOPEZ
DOUGLAS L. LUNSFORD
JOHN J. KELLY
T. CALDER EZZELL, JR.
WILLIAM B. BURFORD*
RICHARD E. OLSON
RICHARD R. WILFONG*
THOMAS J. MCBRIDE
STEVEN D. ARNOLD
JAMES J. WECHSLER
NANCY S. CUSACK
JEFFREY L. FORNACIARI
JEFFREY D. HEWETT
JAMES BRUCE
JERRY F. SHACKELFORD*
JEFFREY W. HELLBERG*
ALBERT L. PITTS
THOMAS M. HNASKO
JOHN C. CHAMBERS*
MICHAEL A. GROSS
THOMAS D. HAINES, JR.

FRANKLIN H. MCCALLUM*
GREGORY J. NIBERT
DAVID T. MARKETTE*
MARK C. DOW
KAREN M. RICHARDSON*
FRED W. SCHWENDIMANN
JAMES M. HUDSON

STANLEY K. KOTOVSKY, JR.
BETTY H. LITTLE*
JEFFREY S. BAIRD*
RUTH S. MUSGRAVE
HOWARD R. THOMAS
PATRICIA A. WATTS
MACDONNELL GORDON
REBECCA NICHOLS JOHNSON
WILLIAM R. JOHNSON
ELLEN S. CASEY
S. BARRY PAISNER
MARGARET CARTER LUDEWIG
MARTIN MEYERS
GREGORY S. WHEELER
ANDREW J. CLOUTIER
JAMES A. GILLESPIE
GARY W. LARSON
STEPHANIE LANDRY
JOHN R. KULSETH, JR.
LISA K. SMITH*

*NOT LICENSED IN NEW MEXICO

VIA HAND DELIVERY

William J. LeMay, Director
Energy, Minerals and Natural
Resources Department
Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87503

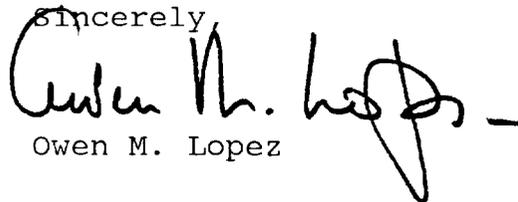
Re: Case No. 10174 - Maralex Resources, Inc.

Dear Mr. LeMay:

On behalf of Maralex Resources, Inc., I respectfully request the dismissal of the above-referenced application for an unorthodox well location in San Juan County, New Mexico.

Thank you for your attention to this matter.

Sincerely,


Owen M. Lopez

OML:frs

c: Maralex Resources, Inc.
Mickey O'Hare

RECEIVED

NOV 27 1990

OIL CONSERVATION DIVISION



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. Owen M. Lopez
Hinkle, Cox, Eaton,
Coffield & Hensley
Attorneys at Law
Post Office Box 2068
Santa Fe, New Mexico 87504-2068

Re: CASE NO. 10174
ORDER NO. R-9380

Applicant:
Maralex Resources, 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
 AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
 AZTEC, NEW MEXICO 87410
 (505) 334-6178

91 FEB 14 8 37

Date: 2-7-91

Attn: M. Stogner

Oil Conservation Division
 P.O. Box 2088
 Santa Fe, NM 87504-2088

RE: Proposed MC _____
 Proposed NSL A _____
 Proposed WFX _____
 Proposed NSP _____

Proposed DHC _____
 Proposed SWD _____
 Proposed PMX _____
 Proposed DD _____

Gentlemen:

I have examined the application received on 1-12-91
 for the Manley Resources, Inc. Operated U.M. Fed. # 9
 OPERATOR LEASE & WELL NO.

N-13-27N-8W and my recommendations are as follows:
 UL-S-T-R

Approve

Yours truly,

E. Bosch

Attn: E. Bosch

This matter was the
 subject of Case 10174 which
 was dismissed (see copy of R-4350,
 attached).

Case No. 10174

M. Stogner

M.S.

FAX TRANSMITTAL SHEET
OIL CONSERVATION DIVISION - FAX NO. (505) 827-5741

TO: *Ernie Busch*

FR: *Michael E. Stogner*

PAGES w/cover: *2*

DATE: *2/12/91*

*Subject: Maralex Resources Inc.
Unconventional Coal Gas Well location
Ozark W.N. Fed Well No. 9*

*This matter was the subject of Case No. 10174 which
was dismissed at the November 28, 1990 Hearing (see
Order No. R-9380).*

M.S.

If there are any problems with this transmission, please call (505) 827-5806.

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. 10174
Order No. R-9380

APPLICATION OF MARALEX RESOURCES,
INC. FOR AN UNORTHODOX COAL GAS
WELL LOCATION, 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,

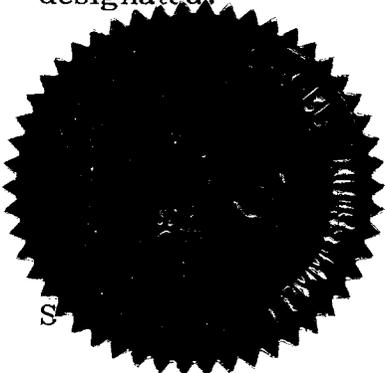
FINDS THAT:

The applicant's request for dismissal should be granted.

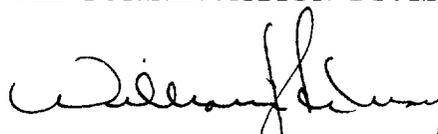
IT IS THEREFORE ORDERED THAT:

Case No. 10174 is hereby dismissed.

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY,
Director