

MERRION OIL & GAS CORPORATION

P. O. Box 840
FARMINGTON, NEW MEXICO 87499

October 28, 1985

Florine Davidson
NMOCC
P.O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87501*Case 8751*Re: Well Arena Blanca #2
T20N, R5W
Sec. 36
McKinley County, New Mexico

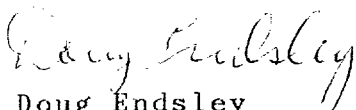
Ms. Davidson:

Pursuant to our telephone conversation of October 28, 1985, Merrion Oil & Gas Corporation does hereby submit written application for approval of an unorthodox drillsite; namely, 2310 feet from north line and 1200 feet from east line, Section 36, Township 20 North, Range 5 West, McKinley County, New Mexico.

As we discussed on the phone, we request this be included on the same (November 21) docket with our previous request. This is also on Entrada test and for geologic reasons requires unorthodox spacing.

Thank you for your time and efforts.

Sincerely,


Doug Endsley
Geologist

DE:sgb

MERRION OIL & GAS CORPORATION

P. O. Box 840
FARMINGTON, NEW MEXICO 87499

M.S.

Case No. 8751

November 8, 1985

Mike Stogner
Chief Hearing Officer
New Mexico Oil
Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501-2088

Re: December 4, 1985 Hearing

Dear Mike:

To confirm our phone conversation on November 8, 1985, Merrion Oil and Gas Corporation's application for an unorthodox location in Section 28, Township 20 North, Range 06 West is cancelled. The application for an unorthodox location in Section 36, Township 20 North, Range 05 West is now to be heard on December 4, 1985.

In addition, at the same December 4, 1985 hearing, Merrion Oil and Gas Corporation intends to present evidence to obtain an Oil Discovery Allowable (Rule G-509) on the Arena Blanca #1 well in Section 36, Township 20 North, Range 05 West. Evidence for a "special" depth bracket allowable for the Arena Blanca #1, which is greater than the regular depth bracket allowable, will also be presented.

Thank you for your assistance and please call if you have any questions.

Respectfully,



T. Greg Merrion
Production Engineer

TGM/ljm

*Note. This application has been administratively approved
11/16-2/192*



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

December 18, 1935

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

T. Greg Merrion
Production Engineer
Merrion Oil & Gas Corporation
P. O. Box 340
Farmington, New Mexico 87499

Re: CASE NO. 3751
ORDER NO. R-8092

Applicant:

Merrion Oil & Gas Corporation

Dear Sir:

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

Sincerely,

R. L. STAMETS
Director

RLS/fd

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD x

Other _____
