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November 1, 1988

RECEIVED

NOV 1 1988

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
New Mexico State Land Office Bldg.
Santa Fe, New Mexico 87501

OIL CONSERVATION DIVISION

HAND DELIVERED

RE: Applications of Meridian Oil, Inc. for
Compulsory Pooling (13 applications)

Case 9538

Dear Mr. LeMay:

Enclosed are thirteen (13) applications for compulsory poolings filed on behalf of Meridian Oil, Inc. We request that these matters be set for examiner hearing on November 22, 1988.

As a matter of explanation, these applications were referred to Campbell and Black by Kellahin, Kellahin and Aubrey because of a conflict of interest perceived by one of Mr. Kellahin's clients. Our firm received these applications late in the day today and we have not had time to confirm with our own clients that Campbell and Black's representation of Meridian presents no conflict of interest.

In order to assure that these cases will be filed in time for them to be heard on November 22, Campbell and Black will today proceed to enter its conditional appearance for Meridian. However, in the event that a conflict of interest arises because of our representation of Meridian and our other clients, Campbell and Black must reserve its rights to withdraw its appearance on behalf of Meridian.

Very truly yours,



J. Scott Hall

JSH/ba
Enclosures

cc: Randolph Mundt
Kent Lund
Tom Kellahin

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION

RECEIVED

IN THE MATTER OF THE APPLICATION
OF MERIDIAN OIL, INC. FOR A
COMPULSORY POOLING ORDER
SAN JUAN COUNTY, NEW MEXICO

NOV 1 1988

OIL CONSERVATION DIVISION CASE: 9538

A P P L I C A T I O N

COMES NOW, MERIDIAN OIL, INC., by and through its attorneys, Campbell & Black, P.A., and in accordance with Section 70-2-17(c) NMSA (1978) applies to the New Mexico Oil Conservation Division for an order pooling all mineral interest in the Basin Fruitland Coal Gas Pool underlying the N/2 of Section 9, T30N, R8W, San Juan County, New Mexico. The above described unit is to be dedicated to its Woodriver Com #300 Well to be drilled to a depth of approximately 3100 feet at standard well location in said Section 9, and in support thereof would show:

1. Applicant is a working interest owner in the N/2 of Section 9, T30N R8W.
2. Applicant desires to drill a well at a standard location in the NE/NW of the Section 9.

3. Applicant, has sought a voluntary agreement with all those parties shown on Exhibit "A" for the formation of appropriate spacing and proration unit as shown on Exhibit B for the drilling of the subject well but has been unable to obtain a voluntary agreement.

4. Pursuant to the Division notice requirements, applicant has notified all those parties shown on Exhibit "A" of this application for compulsory pooling and the applicant's request for a hearing before the Division to be set on November 22, 1988.

5. In order to obtain its just and equitable share of the potential production underlying the above tract, applicant needs an order pooling the mineral interests involved in order to protect applicant's correlative rights and prevent waste.

WHEREFORE, applicant prays that this application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order pooling the mineral interest described herein. Applicant further prays that it be named operator of the well, and that the order make provisions for applicant to recover out of production its costs of drilling, completing and equipping the subject well, costs of operation, including costs of supervision, and a risk factor in the amount of 200% for the drilling and completing of the well, for such other and further relief as may be proper.

Respectfully submitted,

By 

William F. Carr
Campbell & Black
P.O. Box 2208
Santa Fe, New Mexico 87504

(505) 988-4421

SECTION N/2 9 TOWNSHIP 30 N RANGE 8 W COUNTY San Juan STATE New Mexico

El Paso
Federal
240.00 acres

Tenneco / Conoco
Federal
80.00 acres

El Paso Production Co - 75.00%
Tenneco ————— 12.50%
Conoco — 10.875 — ~~12.50~~
FMP Operating Co. - 1.625 ————— 100.00%

REVISED

EXHIBIT "A"

Attached to and made a part of that certain Operating Agreement dated May 1, 1988, between MERIDIAN OIL INC., as Operator, and Non-Operators.

I. LANDS SUBJECT TO OPERATING AGREEMENT:

Township 30 North, Range 8 West

Section 9: N/2

II. RESTRICTIONS, IF ANY, AS TO DEPTHS OR FORMATIONS:

This agreement shall cover only the Fruitland formation.

III. ADDRESSES AND PERCENTAGES OR FRACTIONAL INTERESTS OF PARTIES TO THIS AGREEMENT:

Meridian Oil Inc. c/o Land Department Meridian Oil Production Inc. P.O. Box 4289 Farmington, New Mexico 87499-4289	Operator
El Paso Production Company c/o Land Department Meridian Oil Production Inc. P.O. Box 4289 Farmington, New Mexico 87499-4289	75.000%
Tenneco Oil Company c/o Mr. Carley Watkins Post Office Box 3249 Englewood, Colorado 80155	12.500%
Conoco, Inc. Attention: Mr. Kevin Pewitt Post Office Box 460 Hobbs, New Mexico 88240	10.875%
FMP Operating Company Attention: Land Department Post Office Box 60004 New Orleans, Louisiana 70160	1.625%