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October 9, 1984

RECEIVED

OCT 9 1984

Mr. Richard L. Stamets
Acting Director
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

OIL CONSERVATION DIVISION

"Hand Delivered"

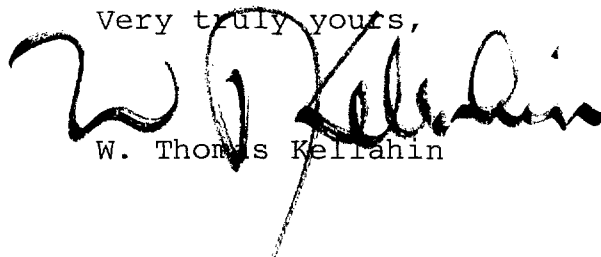
Re: Merrion Oil & Gas Company
Forced Pooling Case
S/2 Sec 24, T24N, R2W
Rio Arriba County, New Mexico

Case 8395

Dear Mr. Stamets:

On behalf of Merrion Oil & Gas Company, please set the enclosed application for hearing at the next available Examiner Docket now scheduled for October 31, 1984.

Very truly yours,



W. Thomas Kellahin

WTK:ca
Enc.

cc: Patrick Haggerty
Merrion Oil & Gas Company
P. O. Box 1017
Farmington, New Mexico 87401

Mobil Producing Texas & New Mexico, Inc.
Nine Greenway Plaza, Suite 2700
Houston, Texas 77046
Attn: Mr. John Woolston

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

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OCT 9 - 1984

IN THE MATTER OF THE
APPLICATION OF MERRION OIL
& GAS COMPANY FOR COMPULSORY
POOLING, RIO ARRIBA COUNTY,
NEW MEXICO.

OIL CONSERVATION DIVISION

CASE: 8395

A P P L I C A T I O N

Comes now Merrion Oil & Gas Company and applies to the Oil Conservation Division of New Mexico for an order pooling all mineral interests from the undesignated Gallup and Dakota Formation underlying the S/2 of Section 24, Township 24 North, Range 2 West, NMPM, Rio Arriba County, New Mexico, for the formation of a proration and spacing unit for the said production and in support thereof would show the Commission:

1. Applicant is an owner of the right to drill and develop the S/2 of Section 24, Township 24 North, Range 2 West, NMPM, Rio Arriba County, New Mexico.

2. Applicant proposes to drill a well at a standard location and to dedicate the S/2 of said Section to the well.

3. Applicant has sought to obtain the cooperation of all parties.

4. In order to obtain their just and equitable share of the production underlying the above lands, Applicant needs an order pooling the mineral interest involved.

5. Those who have not consented to join in the drilling of the well, with their addresses, to the best of applicant's information and belief, are as follows:

Mobil Producing Texas and New Mexico Inc.
9 Greenway Plaza, Suite 2700
Houston, Texas 77046

Attn: John Woolston

The foregoing interests total 50% working interest.

6. The parties named in paragraph 5 above have been furnished a copy of this application.

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 the applicant to recover out of production its costs of drilling the subject well, completing and equipping it, costs of operation, including costs of

supervision and a risk factor in the amount of 200% for the drilling of the well, for such other and further relief as may be proper.

Respectfully submitted,

Merrion Oil & Gas Company



By

W. Thomas Kellahin
Kellahin & Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87501

Attorneys for Applicant