



OIL CONSERVATION DIVISION  
RECEIVED

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607 10th Street, Suite 208  
Golden, Colorado 80401  
(303) 278-7505  
FAX (303) 278-7520

P.O. Box 338  
Ignacio, Colorado 81137  
(303) 563-4000  
FAX (303) 563-4116

March 16, 1995

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

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

*West Dist: (26-13-19) #2  
S/2 (19)*

Attn: Mr. Michael Stogner

RE: Application for Non-Standard  
Proration Units  
Township 26 North, Range 13 West  
Sections 18 and 19  
San Juan County, New Mexico

Dear Mr. Stogner:

Maralex Resources, Inc. (Maralex) hereby requests administrative approval for four (4) non-standard proration units in Sections 18 and 19, T26N-R13W, San Juan County, New Mexico. Maralex requests the designated proration units for its proposed four (4) Fruitland coal wells in Sections 18 and 19, T26N-R13W be as follows:

The N/2 of Sections 18 and 19 be Lots 1, 2, 5, 6, and the NE/4 (320 acres). The S/2 of Sections 18 and 19 be Lots 7, 8, 11, 12 and the SE/4 (320 acres).

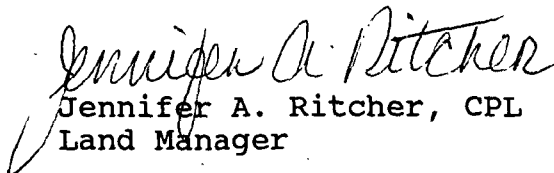
The non-standard unit and the unorthodox size is necessitated by a variation in the legal subdivision of the U. S. Public Land Surveys (see attached copy of OG plat).

Attached is a list of the names of the affected offset operators and all operators owning interests in Sections 18 and 19, T26N-R13W. These operators have been sent a copy of this application by certified mail and advised to notify the Commission of any objections within thirty days.

If you have any questions or need anything further,  
please do not hesitate to contact me at the Golden telephone  
number shown above.

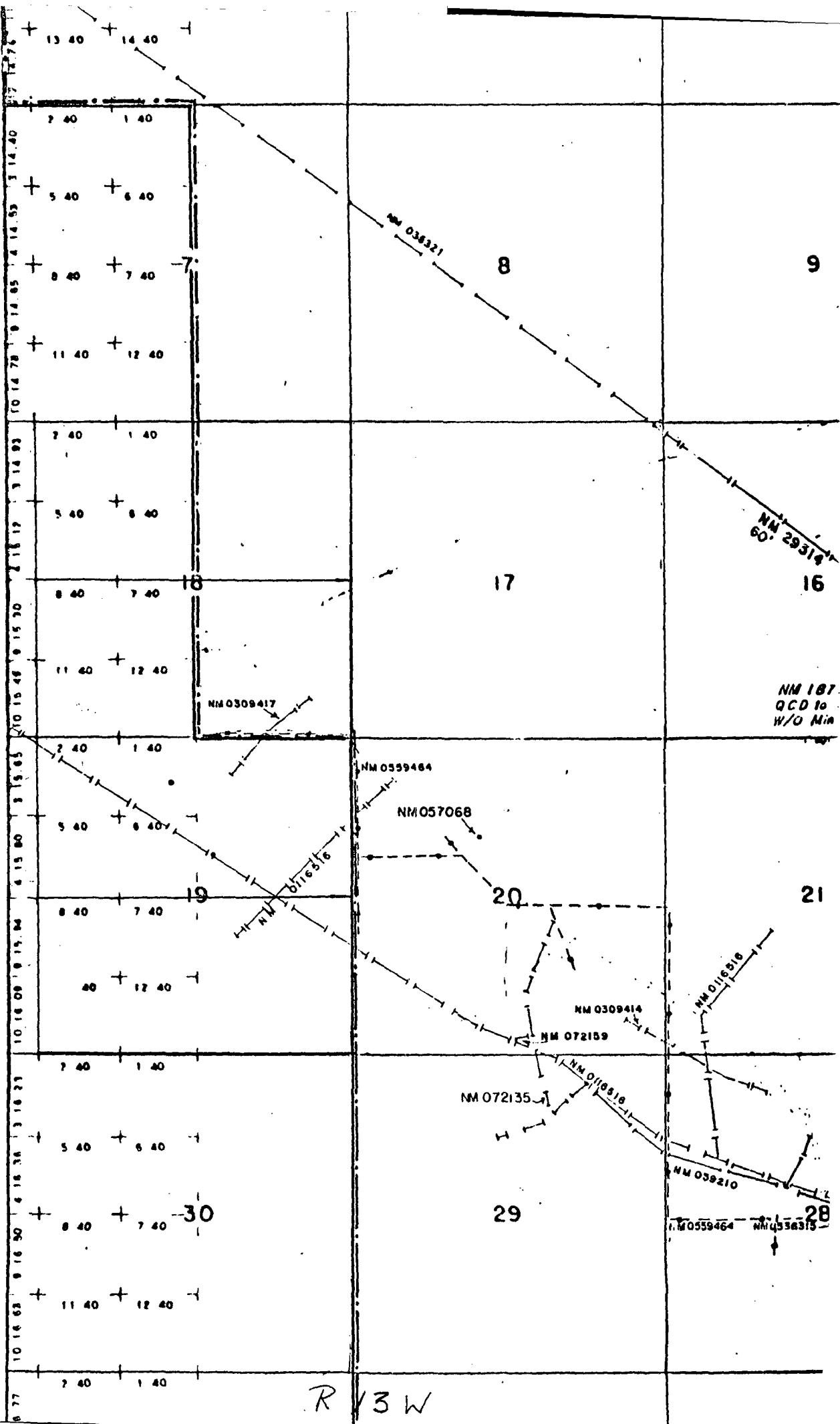
Sincerely,

MARALEX RESOURCES, INC.

  
Jennifer A. Ritcher, CPL  
Land Manager

Enclosures

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March 16, 1995

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

TO: All Working Interest Owners and Operators  
(See Attached Address List)

RE: Application for Non-Standard  
Proration Unit  
T26N-R13W  
Sections 18 and 19  
San Juan County, New Mexico

TO WHOM IT MAY CONCERN:

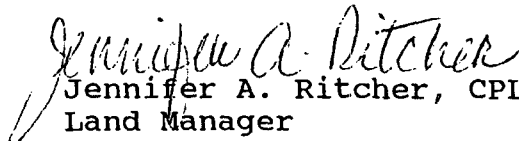
You are hereby notified that on March 16, 1995, Maralex Resources, Inc. filed an Application for Non-Standard Proration Unit with the New Mexico Oil Conservation Division for administrative approval of non-standard proration units for Sections 18 and 19, T26N-R13W, San Juan County, New Mexico (copy enclosed).

You are further notified that in the event no protest is received by the Director of the New Mexico Oil Conservation Division within thirty (30) days of receipt of this letter, the Director may grant administrative approval to the application.

If you have any questions or need anything further, please do not hesitate to contact me at the Golden address shown above.

Sincerely,

MARALEX RESOURCES, INC.

  
Jennifer A. Ritcher, CPL  
Land Manager

Enclosures

Section 18-T26N-R13W  
Operators and Offset Operators

Pendragon Resources L.P.  
1600 Broadway, Suite 1950  
Denver, CO 80202

Giant Exploration & Production Company  
Attn: Steven K. Smith  
P.O. Box 2810  
Farmington, NM 87499-2810

Texaco Exploration and Production  
P.O. Box 2100  
Denver, CO 80201

Robert L. Bayless  
P.O. Box 168  
Farmington, NM 87499

Union Pacific Resources Company  
Attn: Paul Dowden  
P.O. Box 7  
Fort Worth, TX 76101-0007

Key Production Company, Inc.  
Attn: David R. Dix  
1700 Lincoln St., Suite 2000  
Denver, CO 80203-4520

Norcen Explorer, Inc.  
Attn: Dianne L. Adiska  
200 Westlake Park Blvd., Suite 800  
Houston, TX 77079-2653

Merrion Oil & Gas Corporation  
Attn: Crystal Williams  
P.O. Box 840  
Farmington, NM 87499

J. K. Edwards Associates, Inc.  
1401 17th Street, Suite 1401  
Denver, CO 80202

Bureau of Land Management  
New Mexico State Office  
P.O. Box 27115  
Santa Fe, NM 87502-7115

Apache Corporation  
1700 Lincoln, Suite 2000  
Denver, CO 80203-4520

Bureau of Indian Affairs  
Navajo Area Office  
P.O. Box M  
Window Rock, AZ 86515

Section 19-T26N-R13W  
Operators and Offset Operators

Edna Ione Hall Living Trust  
P.O. Box 1355  
Roswell, NM 88201

Bureau of Land Management  
State of New Mexico  
P.O. Box 27115  
Santa Fe, NM 87502-7115

R. P. Brewer Estate  
40 NE Loop 410  
San Antonio, TX 78216

Giant Exploration & Production Company  
Attn: Steven K. Smith  
P.O. Box 2810  
Farmington, NM 87499-2810

Robert L. Bayless  
P.O. Box 168  
Farmington, NM 87499

Union Pacific Resources Company  
Attn: Paul Dowden  
P.O. Box 7  
Fort Worth, TX 76101-0007

Key Production Company, Inc.  
Attn: David R. Dix  
700 Lincoln St., Suite 2000  
Denver, CO 80203-4520

Norcen Explorer, Inc.  
Attn: Dianne L. Adiska  
200 Westlake Park Blvd., Suite 800  
Houston, TX 77079-2653

Frank O. Elliott Living Trust  
P.O. Box 1355  
Roswell, NM 88201

Harry Doehla  
50 Central Park South  
New York, NY

Rodney P. Calvin  
202 Patterson Building  
Denver, CO 80202

Natalie Bergman  
130 E. 63rd St.  
New York, NY

John Sorensen  
424 SW Ave.  
Sioux Falls, SD

Howard Hall  
Address Unknown

East Side Service  
Address Unknown

Miniza Prod. Co.  
P.O. Box 2810  
Farmington, NM 87499

R. P. Brewer III Estate  
200 Mercantile Nat. Bank Bldg.  
40 NE Loop 410  
San Antonio, TX 78216

India B. Chumney de Marigny  
40 NE Loop 410  
San Antonio, TX 78216

Winifred Chumney Meaden  
40 NE Loop 410  
San Antonio, TX 78216

Elizabeth H. Chumney  
40 NE Loop 410  
San Antonio, TX 78216

Ameritrust Texas NA, Trustee  
Fleming Rev. Trust Agreement  
P.O. Box 33400  
San Antonio, TX 78265

Job and Edna Mae Bear  
108 N. Main  
Roswell, NM

W. T. Chumney Jr. Trust  
40 NE Loop 410  
San Antonio, TX 78216

MTrust Corp., Trustee for  
Elizabeth Hixon  
P.O. Box 900  
San Antonio, TX 78293

Universal Resources Corp.  
P.O. Box 11070  
Salt Lake City, UT 84147

Dugan Production Corp.  
P.O. Box 420  
Farmington, NM 87499

Brookhaven Oil Co.  
P.O. Box 644  
Albuquerque, NM

Mary Sue Douthit and W. L. Douthit  
405 Harvard Dr.  
Midland, TX

Bureau of Indian Affairs  
Navajo Area Office  
P.O. Box M  
Window Rock, AZ 86515

Betty Brewer Chumney  
200 Mercantile Nat. Bank Bldg.  
40 NE Loop 410  
San Antonio, TX 78216

CMD : .  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

03/24/95 14:55:20  
OGOMES -EME8  
PAGE NO: 2

Sec : 19 Twp : 26N Rng : 13W Section Type : NORMAL

8 40.00 15.94  Federal owned	9 40.00  Federal owned	7 40.00  Federal owned	J 40.00  Federal owned U A	I 40.00  Federal owned U
10 16.09 40.00  Federal owned A	11 40.00  Federal owned	12 40.00  Federal owned	O 40.00  Federal owned	P 40.00  Federal owned U

PF01 HELP  
PF07 BKWD

PF02  
PF08 FWD

PF03 EXIT  
PF09 PRINT

PF04 GoTo  
PF10 SDIV

PF05  
PF11

PF06  
PF12

## **Mike Stogner**

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**From:** Frank Chavez  
**To:** Mike Stogner  
**Subject:** Maralex NSP Application  
**Date:** Thursday, April 20, 1995 1:19PM

I whole heartedly agree to the idea of doing as much as we can to avoid hearings when issues can be addressed administratively. The Maralex application can probably be handled this way but I have some questions.

The purpose of the application is to leave out acreage which might otherwise have been interpreted as being included in a standard unit. Haven't we traditionally docketed this type of application for hearing? There is probably no direct correlative rights issue because the area being left out is unleased federal acreage and the rest of the acreage is federal, too. Do we have a precedent for this or are we setting a precedent? What if the unleased acreage was State or fee?

The Basin Fruitland Coal pool has special pool rules on spacing. It kind of looks more like the application may be an exception to the pool rules.

On the other hand, in the San Juan we have often created NSP's ahead of development to group together odd tracts into near standard units in order to avoid disorderly development and prevent small tracts from being undeveloped. In the past we have required operators to file NSP applications when they wanted to include small portions of acreage created by survey adjustments in an otherwise standard unit. Given this practice it might have been better to just accept their plat!

The real question is 'how do we interpret what is a standard quarter or half section if it contains small tracts due to survey corrections?' It appears that we may not have been consistant in doing this.

I'm just thinking out loud here.