

**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. 11118

APPLICATION OF MERIDIAN OIL INC.  
FOR COMPULSORY POOLING  
SAN JUAN COUNTY, NEW MEXICO.

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**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by MERIDIAN OIL INC.  
as required by the Oil Conservation Division.

**APPEARANCE OF PARTIES**

**APPLICANT**

MERIDIAN OIL INC.  
P.O. Box 4289  
Farmington, N.M. 87499  
Attn: Alan Alexander  
(505) 326-9757

**ATTORNEY**

W. Thomas Kellahin  
KELLAHIN AND KELLAHIN  
P.O. Box 2265  
Santa Fe, New Mexico 87504  
(505) 982-4285

**STATEMENT OF CASE**

**APPLICANT:**

Meridian Oil Inc. seeks Division approval to pool all mineral interests in the Gallup formation underlying the SW/4 NW/4 and all mineral interests in the Mesaverde formation underlying the N/2 of Section 35, T29N, R10W, NMPM, San Juan County, New Mexico, forming standard 40-acre and 320-acre spacing and proration units.

Said units are to be dedicated to Meridian Oil Inc's Zachry Well No. 50 which is an existing oil well currently producing from the Gallup Pool at a location 1846 feet FNL and 621 feet FWL (Unit E) of said Section 30.

Also to be considered will be the costs of participation in said well, including but not limited to the value of the existing wellbore, the costs of recompletion, and the allocation of those costs and income as well as actual operating costs and charges for supervision, and the designation of applicant as the operator of the well.

Said units are located approximately 7-1/2 miles east-southeast of Bloomfield, New Mexico.

**Pre-Hearing Statement**  
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**PROPOSED EVIDENCE**

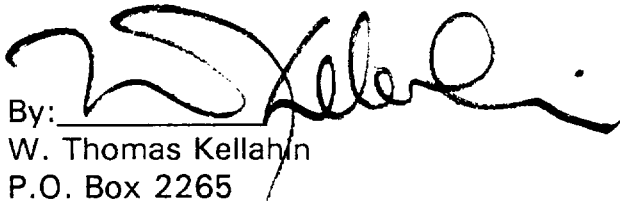
**APPLICANT**

<b>WITNESSES</b>	<b>EST. TIME</b>	<b>EXHIBITS:</b>
Leonard Biemer (Senior Land Advisor)	10 min.	7 total
Jay Close (Petroleum Geologist)	10 min.	
Dean Price (Senior Landman)	10 min.	

**PROCEDURAL MATTERS**

None anticipated at this time.

KELLAHIN AND KELLAHIN

By:   
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