KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

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SANTA FE, NEW MEXICO 87504-2265 November 7, 1994 TELEPHONE (505) 982-4285 TELEFAX (505) 982-2047

HAND DELIVERED

Mr. David R. Catanach Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505

Re: NMOCD Case 11132

W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION RECOGNIZED SPECIALIST IN THE AREA OF NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

Navajo Indian "B" Well No. 3 Application of Meridian Oil Inc. for downhole commingling, San Juan County, New Mexico

Dear Mr. Catanach:

The reference case appears on your docket for hearing on Thursday.

At the suggestion of Mr. Stogner, I am attempting to expedite the processing certain down hole commingling cases for Meridian by seeking to submit the exhibits for your consideration without the presentation of the witnesses provided that no interested party appeared at the hearing and entered an objection.

In this case, I believe there is no opposition. The only reason it cannot be submitted to you for consideration through the administrative processing of Rule 303 is that the pressure differential exceeds the 50-% rule. Please find enclosed our prehearing statement and a set of the hearing exhibits.

I would appreciate you looking at Exhibit (7). If you believe you need an engineering witness to testify on Thursday, please call me. Otherwise, I will submit this without witnesses.

Very truly yours

W. Thomas Kellahin

cc: Meridian Oil Inc. Attn: John Zent