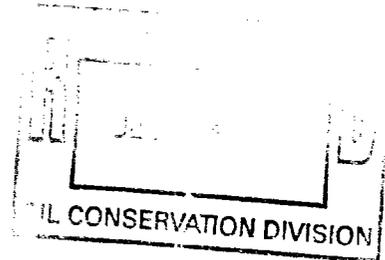


STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING )  
CALLED BY THE OIL CONSERVATION )  
DIVISION FOR THE PURPOSE OF )  
CONSIDERING: )  
APPLICATION OF MERIDIAN OIL, INC. )

CASE NO. 11,148



ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

December 1st, 1994

Santa Fe, New Mexico

This matter came on for hearing before the Oil Conservation Division on Thursday, December 1st, 1994, at the New Mexico Energy, Minerals and Natural Resources Department, Porter Hall, 2040 South Pacheco, Santa Fe, New Mexico, before Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

\* \* \*

## I N D E X

December 1st, 1994  
Examiner Hearing  
CASE NO. 11,148

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REPORTER'S CERTIFICATE	5

\* \* \*

## A P P E A R A N C E S

## FOR THE DIVISION:

RAND L. CARROLL  
Attorney at Law  
Legal Counsel to the Division  
State Land Office Building  
Santa Fe, New Mexico 87504

## FOR THE APPLICANT:

KELLAHIN & KELLAHIN  
117 N. Guadalupe  
P.O. Box 2265  
Santa Fe, New Mexico 87504-2265  
By: W. THOMAS KELLAHIN

\* \* \*

1           WHEREUPON, the following proceedings were had at  
2           8:51 a.m.:

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5           EXAMINER CATANACH: Okay, at this time we'll call  
6           Case 11,148.

7           MR. CARROLL: Application of Meridian Oil, Inc.,  
8           for downhole commingling and a nonstandard gas proration  
9           unit, San Juan County, New Mexico.

10          EXAMINER CATANACH: Are there appearances in this  
11          case?

12          MR. KELLAHIN: Mr. Examiner, I'm Tom Kellahin of  
13          the Santa Fe law firm of Kellahin and Kellahin, appearing  
14          on behalf of the Applicant.

15          EXAMINER CATANACH: Are there any additional  
16          appearances?

17          Mr. Kellahin?

18          MR. KELLAHIN: Mr. Examiner, with your permission  
19          we would request that, because there is no objection to  
20          this matter, that it be submitted to you for decision based  
21          upon the submittal of the hearing exhibits, which I will  
22          submit to you after the conclusion of the hearing.

23          The reason this is on the docket, Mr. Examiner,  
24          is that the proposed downhole commingling complies with  
25          Division Rule 303 for commingling purposes on an

1 administrative proceeding, with the exception that there is  
2 a difference in ownership between the two spacing units.

3 For that reason alone, then, it's been docketed  
4 to see if there was any objection to its approval.

5 There appearing to be none, we would request that  
6 you take this matter under advisement.

7 EXAMINER CATANACH: Okay, there being nothing  
8 further in this case, Case 11,148 will be taken under  
9 advisement.

10 (Thereupon, these proceedings were concluded at  
11 8:51 a.m.)

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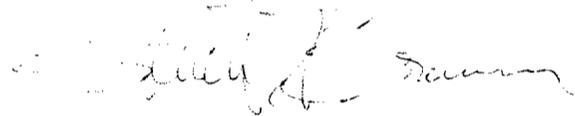
CERTIFICATE OF REPORTER

STATE OF NEW MEXICO )  
 ) ss.  
COUNTY OF SANTA FE )

I, Steven T. Brenner, Certified Court Reporter and Notary Public, HEREBY CERTIFY that the foregoing transcript of proceedings before the Oil Conservation Division was reported by me; that I transcribed my notes; and that the foregoing is a true and accurate record of the proceedings.

I FURTHER CERTIFY that I am not a relative or employee of any of the parties or attorneys involved in this matter and that I have no personal interest in the final disposition of this matter.

WITNESS MY HAND AND SEAL December 2nd, 1994.



STEVEN T. BRENNER  
CCR No. 7

My commission expires: October 14, 1998

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 1114, heard by me on December 1 1994.

David R. Utter, Examiner  
Oil Conservation Division

STEVEN T. BRENNER, CCR  
(505) 989-9317

Florene,

This case needs to be re-opened and readvertised for the February 16, 1995 docket. If you need anything further, let me know.

CASE NO. 11148

Application of Meridian Oil  
Inc. for Downhole Commingling  
and a Non-Standard Gas  
Proration Unit, San Juan  
County, New Mexico.

Applicant, in the above-styled cause, seeks approval to downhole commingle conventional Aztec-Pictured Cliffs Pool gas production (202.82-acre dedication comprising Lots 2, 3 and 4, S/2 SW/4 and the SW/4 SE/4) with gas production from the Basin-Fruitland Coal Gas Pool within the wellbore of its existing Zachry Well No. 1 located at a standard gas well location for both intervals 990 feet from the South line and 1650 feet from the West line (Unit N) of Irregular Section 12, Township 28 North, Range 10 West. All of Section 12 is to be dedicated to the subject well in the Basin-Fruitland Coal Gas Pool forming a non-standard 270.11-acre gas spacing and proration unit. Said well is located approximately 8.5 miles southeast of Bloomfield, New Mexico. IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVISEMENT.