

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. 10478

APPLICATION OF MERRION OIL AND  
GAS CORPORATION FOR POOL CREATION  
AND TEMPORARY SPECIAL POOL RULES,  
SANDOVAL COUNTY, NEW MEXICO

RECEIVED

MAY 24 1992

OIL CONSERVATION DIVISION

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by BENSON  
MONTIN GREER DRILLING CORPORATION as required by the Oil  
Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

MERRION OIL & GAS CO.

ATTORNEY

Tommy Roberts, Esq.  
P.O. Box 1020  
Farmington, NM 87499

OTHER PARTY

BENSON MONTIN GREER DRILLING  
DRILLING CORPORATION  
501 Airport Road  
Farmington, NM 87401  
ATTN: Al Greer  
(505) 325-8874

ATTORNEY

W. Thomas Kellahin  
KELLAHIN, KELLAHIN & AUBREY  
P.O. Box 2265  
Santa Fe, NM 87504  
(505) 982-4285

Pre-Hearing Statement  
Case No. 10478  
Page 2

**STATEMENT OF CASE**

APPLICANT

N/A

OPPOSITION OR OTHER PARTY

Benson Montin Greer appears in support of the Applicant in this case.

**PROPOSED EVIDENCE**

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

OTHER PARTY

WITNESSES

EST. TIME

EXHIBITS

Al Greer  
Petroleum Engineer

15-20 Minutes One Exhibit

**PROCEDURAL MATTERS**

None applicable at this time.

KELLAHIN, KELLAHIN & AUBREY

By: 

W. Thomas Kellahin

P.O. Box 2265

Santa Fe, New Mexico 87504

(505) 982-4285

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:

RECEIVED

MAY 26 1992

CASE NO. 10478

OIL CONSERVATION DIVISION

APPLICATION OF MERRION OIL  
& GAS CORPORATION FOR POOL  
CREATION AND TEMPORARY SPECIAL  
POOL RULES, SANDOVAL COUNTY,  
NEW MEXICO.

PRE-HEARING STATEMENT

This prehearing statement is submitted by Merrion Oil & Gas Corporation as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

Merrion Oil & Gas Corporation

Tommy Roberts

Steven S. Dunn

P.O. Box 1020

P.O. Box 840

Farmington, New Mexico 87499

Farmington, New Mexico 87499

(505) 325-1801

(505) 327-9801

name, address, phone  
and contact person

OPPOSITION OR OTHER PARTY

ATTORNEY

N/A

name, address, phone  
and contact person

## STATEMENT OF CASE

### APPLICANT

(Please make a concise statement of what is being sought with the application and the reasons therefore.)

Applicant seeks the creation of a new pool for the production of oil from the Fractured Mancos Shale formation comprising all of Township 18 and 19 North, Range 3 West, and the promulgation of temporary Special rules therefor including provisions for 640-acre oil spacing, designated well locations, and special allowables.

Applicant believes there is a reasonable expectation of finding Fractured Mancos oil production within the proposed area. Further, without well performance and pool data to determine the extent of areal drainage, it is wise to space wide enough on a temporary basis to economically encourage drilling in the proposed pool. Additional infill wells can be drilled, if necessary, when well data is acquired. Finally, an Industry -- NMOCD Committee has developed a recommended set of rules for spacing Fractured Mancos production which is consistent with Applicant's proposal.

### OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Steven S. Dunn -- Petroleum Engineer	30 - 60 Minutes	2-4
L. Doug Endsley -- Geologist	30 - 60 Minutes	3-4

- \* It is anticipated that Albert R. Greer, President of B-M-G Drilling Corp., a petroleum engineer, will provide testimony on behalf of his company in support of this application.

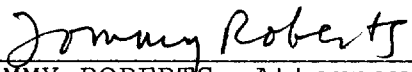
OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
-----------------------------------	-----------	----------

PROCEDURAL MATTERS

(Please identify any procedural matters which  
need to be resolved prior to the hearing)

NONE AT THIS TIME

  
\_\_\_\_\_  
TOMMY ROBERTS, Attorney for  
Merrion Oil & Gas Corporation

**RECEIVED**

MAY 27 1992

OIL CONSERVATION DIV  
SANTA FE

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: Pool Creation and  
Promulgation of Temporary Special  
Pool Rules, Sandoval County, New Mexico

CASE NO. 10478

APPLICATION OF  
Merrion Oil & Gas Corporation

PRE-HEARING STATEMENT

This prehearing statement is submitted by Ernest L. Padilla, Esq. as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Merrion Oil & Gas Corporation  
P. O. Box 840  
Farmington, New Mexico 87499  
Steven S. Dunn,  
Operationa Manager

ATTORNEY

Tommy Roberts  
TANSEY, ROSEBROUGH,  
GERDING & STROTHER  
621 West Arrington  
Farmington, NM 87499  
(505) 325-1801

OPPOSITION OR OTHER PARTY

Seymore Smith  
7667 West 95th St.  
Suite 208  
Hickory Hills, IL 60457  
(708) 430-8410

ATTORNEY

Ernest L. Padilla  
PADILLA & SNYDER  
Post Office Box 2523  
Santa Fe, N. M. 87504  
(505)988-7577

Pre-hearing Statement  
NMOCD Case No. 10478  
Page 2

STATEMENT OF CASE

APPLICANT

(Concise statement of what is being sought with this application and the reasons therefore.)

Applicant seeks the creation of a new pool for the production of oil from the Fractured Mancos Shale formation comprising all of Townships 18 and 19 North, Range 3 West.

OPPOSITION OR OTHER PARTY

(Concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Unknown.		

OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Cross examination of Applicant's witnesses.		

PROCEDURAL MATTERS

(Identify any procedural matters which  
need to be resolved prior to the hearing.)

Entry of Appearance of Ernest L. Padilla, Esq.

  
Ernest L. Padilla

Hearing Date: May 28, 1992