

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 File

CASE NO. 10481

APPLICATION OF MERIDIAN OIL INC. FOR
A HIGH ANGLE/HORIZONTAL DIRECTIONAL
DRILLING PILOT PROJECT, SPECIAL OPERATING
RULES THEREFOR AND OTHER RELIEF,
SAN JUAN COUNTY, NEW MEXICO

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, NM 87499
ATTN: Alan Alexander

ATTORNEY

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

OPPOSITION OR OTHER PARTY

ATTORNEY

N/A

RECEIVED

MAY 27 1992

OIL CONSERVATION
SANTA FE

STATEMENT OF CASE

APPLICANT

Applicant seeks to initiate a high angle/horizontal directional drilling pilot project in the Undesignated Gallegos-Gallup Associated Pool underlying the N/2 of Section 29, Township 26 North, Range 10 West, which is considered a standard 320-acre gas spacing and proration unit for said pool but is an unorthodox oil proration unit, all pursuant to the special pool rules as promulgated by Division Order No. R-5353, as amended. Meridian Oil Inc. proposes to re-enter its Huerfano Unit Well No. 218, located at a standard surface location 800 feet from the North line and 790 feet from the West line (Unit D) of said Section 29, kick-off from vertical in an easterly direction until an angle of approximately 90 degrees is achieved and continue drilling horizontally for approximately 1250 feet. Applicant further seeks the adoption of special operating provisions and rules within the pilot project area including the designation of a prescribed area limiting the horizontal displacement of said well's producing interval such that it can be no closer than 790 feet to the outer boundary of the aforementioned 320-acre spacing and proration unit and special allowable provisions are to be considered should said well be classified as an oil producer.

OPPOSITION OR OTHER PARTY

N/A

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Paul Allan Drilling Engineer	15-20 Min.	2 Exhibits
Jimmy Smith Production Engineer	10 Min.	2-3 Exhibits
Chip Head Geologist	15 Min.	2-3 Exhibits
Alan Alexander Landman	10 Min.	2 Exhibits

OPPOSITION

WITNESSES	EST. TIME	EXHIBITS
SEE OPPOSITION FILING, IF ANY		

PROCEDURAL MATTERS

None applicable at this time.

KELLAHIN, KELLAHIN & AUBREY

By: 

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P.O. Box 2265
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ATTORNEYS FOR APPLICANT

phst526.330