

**MERIDIAN OIL INC.**

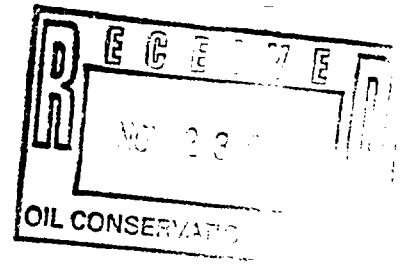
**Application for Unorthodox Gas Well**

**Ute #24**

**Section 20, 32N-14W**

**San Juan County, New Mexico**

**Case Number: 10885**



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

IN THE MATTER OF THE APPLICATION  
OF MERIDIAN OIL, INC. FOR APPROVAL  
OF AN UNORTHODOX GAS WELL LOCATION,  
SAN JUAN COUNTY, NEW MEXICO

CASE NO. \_\_\_\_\_

A P P L I C A T I O N

Comes now MERIDIAN OIL, INC., by and through its attorneys, Kellahin and Kellahin, and applies to the New Mexico Oil Conservation Division for approval of an unorthodox well location in the Barker Creek-Paradox Gas Pool for its proposed Ute Well No. 24 to be drilled at an unorthodox well location 1250 feet FWL and 1595 feet FNL (Unit E) of Section 20, T32N, R14W, NMPM, San Juan County, New Mexico, and to be dedicated to a 640 acre spacing unit consisting of all of Section 20, and in support states:

(1) Meridian Oil, Inc. is the proposed operator of the subject well and is currently the only operator in the Barker Creek-Paradox Gas Pool ("Pool"). See Exhibit "A" attached.

(2) The Pool was established by Order R-13 issued March 125, 1950 and extended by Order R-6421 dated August 1, 1980.

(3) With the exception of the W/2 of Section 19 which is unleased and owned by the Ute Mountain Ute Tribe, Meridian Oil Inc controls 100% of the operating rights in the Pool with 100% of the royalty being owned by the Ute Mountain Ute Tribe.

(4) On November 21, 1950, the Commission issued Order R-46 which established 640-acre spacing units and required wells to be located "not closer than 330 feet to the center and 1650 feet from boundary of each section" in the Pool.

(5) Meridian Oil, Inc. seeks to drill its Ute No. 24 Well in the Barker Creek-Paradox Gas Pool at an unorthodox location 1250 feet FWL and 1595 feet FNL (Unit E) of Section 20, T32N, R14W, NMPM, San Juan County, New Mexico.

(6) The Ismay Member of the Pennsylvanian formation in this area of the Pool is the potential productive zone in this section and is characterized as a tight, low permeability carbonate reservoir.

(7) The proposed unorthodox location is preferable to any standard location within this section because of geologic considerations.

(8) The proposed spacing unit consisting of all of said Section 20.

(9) No correlative rights will be impaired by approving this application.

Application of Meridian Oil Inc.  
Page 3

(10) Meridian Oil, Inc. requests that this matter be docketed for hearing on the Division Examiner docket now scheduled for December 16, 1993.

(11) Meridian Oil, Inc. is the operator of all adjoining and offsetting gas spacing units and therefore notice of this case is being sent only to the following:

(a) Ute Mountain Ute Tribe  
P. O. Box 42  
Towaoc, Colorado 81334  
Attn: Mr. Craig Canfield

(b) Bureau of Indian Affairs  
Ute Mountain Ute Agency  
Towaoc, Colorado 81334  
Attn: Mr. Steve Graham

WHEREFORE, Meridian Oil, Inc. requests that this matter be set for hearing on December 16, 1993 before a duly appointed Examiner of the Oil Conservation Division and that after notice and hearing as required by law, the Division enter its order granting this application.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'W. Thomas Kellahin', is written over the typed name and address.

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





Schedule to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Meridian Oil Inc.		Lease Ute		Well No. 24	
Unit Letter E	Section 20	Township 32 North	Range 14 West	County San Juan	
Actual Footage Location of Well: 1595 feet from the North line and 1250 feet from the West line					
Ground level Elev. 6194'		Producing Formation		Dedicated Acreage: Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hectare marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?  
☐ Yes ☐ No If answer is "yes" type of consolidation \_\_\_\_\_  
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)  
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Printed Name

Position

Company

Date

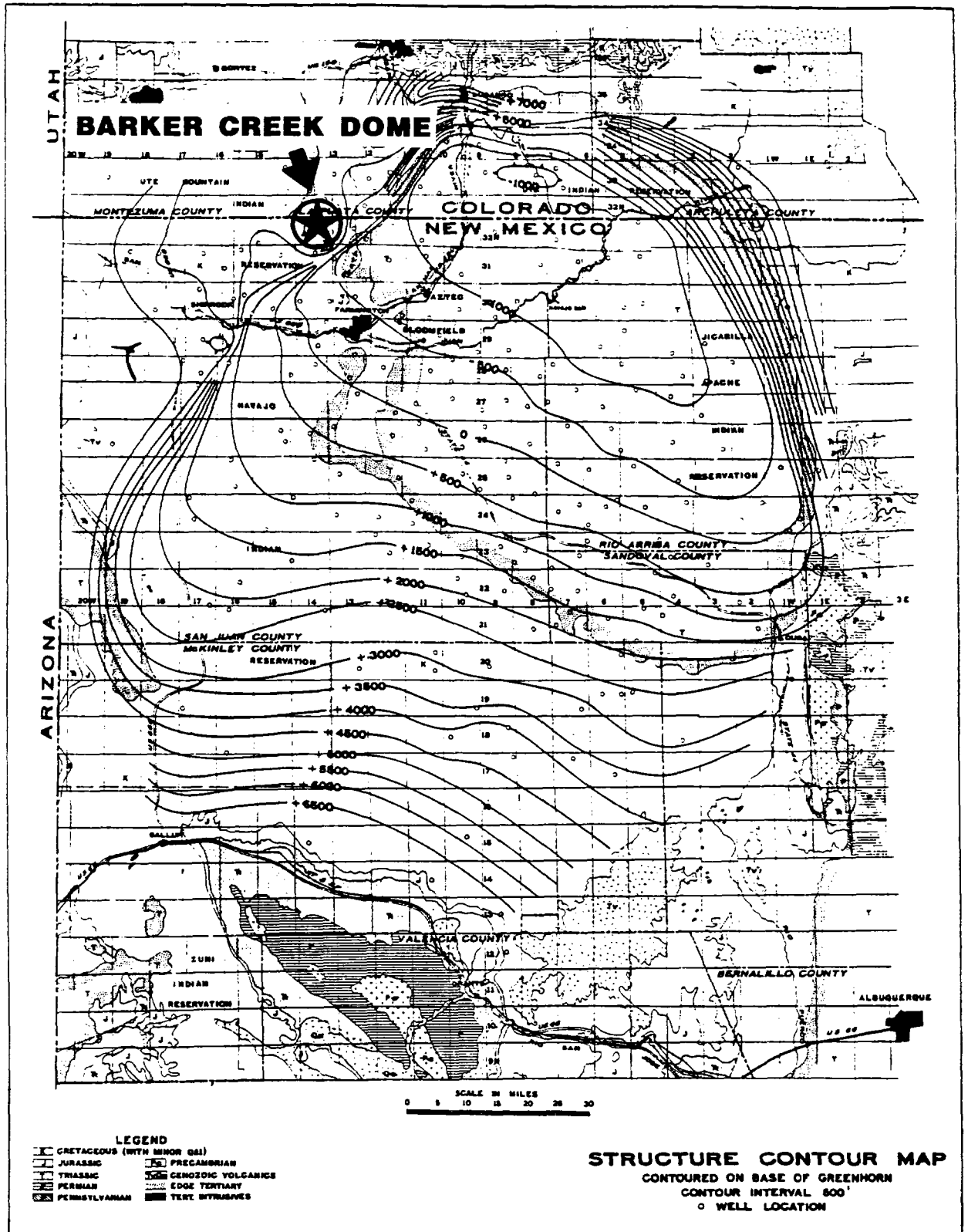
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief. 11-3-93

Date Surveyed  
Needle C. Edwards  
Signature  
Professional Surveyor

6857  
Professional Surveyor

6857





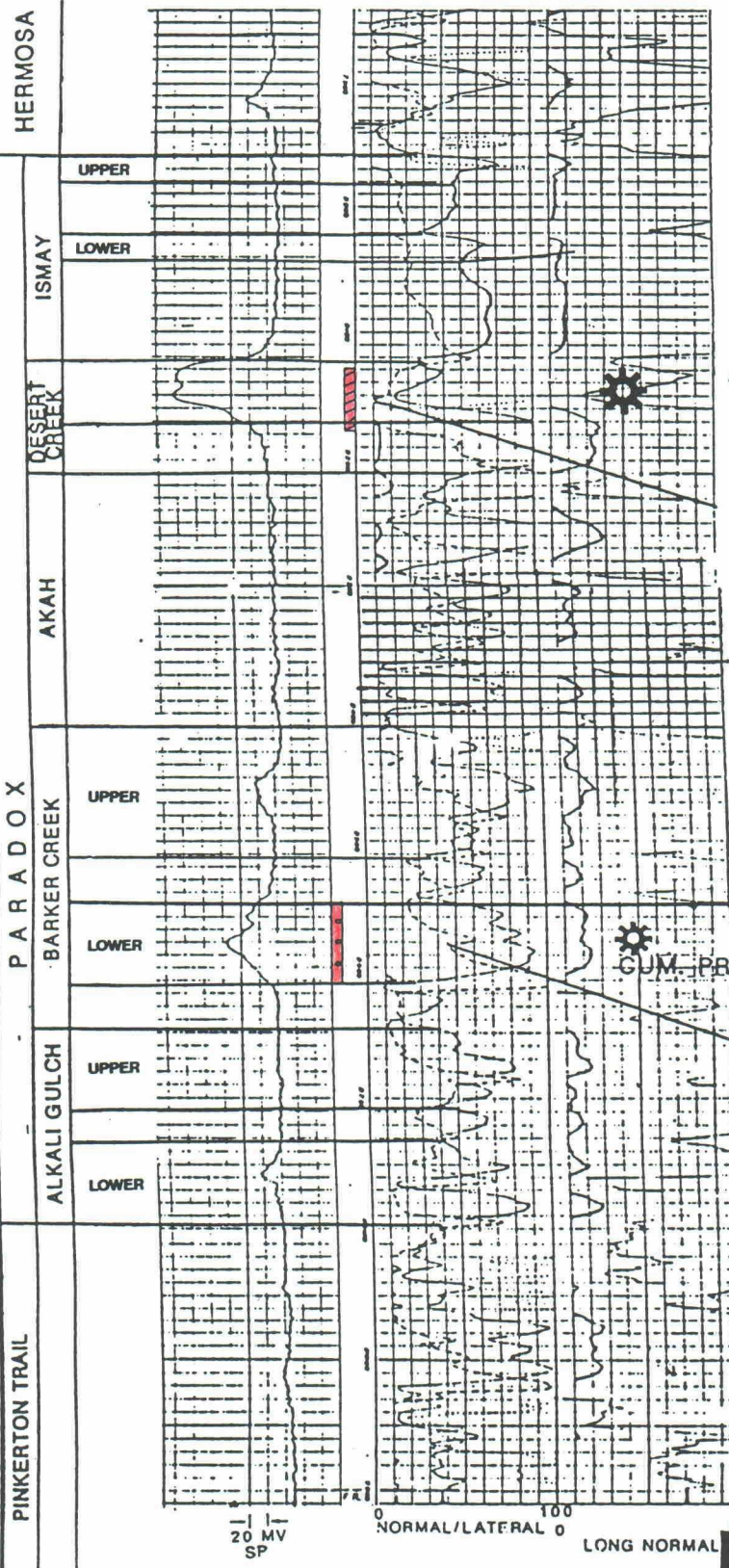


UTE #6

SW 17-32N-14W

SAN JUAN CO., NEW MEXICO

PENNSYLVANIAN



*Target for Proposed well*

PLUGGED BACK,  
RECOMPLETED AUG'91

STRUCTURAL DATUM (-2351')

GUM. PROD. 7,663,002 MCF

ORIGINAL PERFORATIONS

COMPLETED: 12/51, perforations 8546'-8612' (2nd sour)

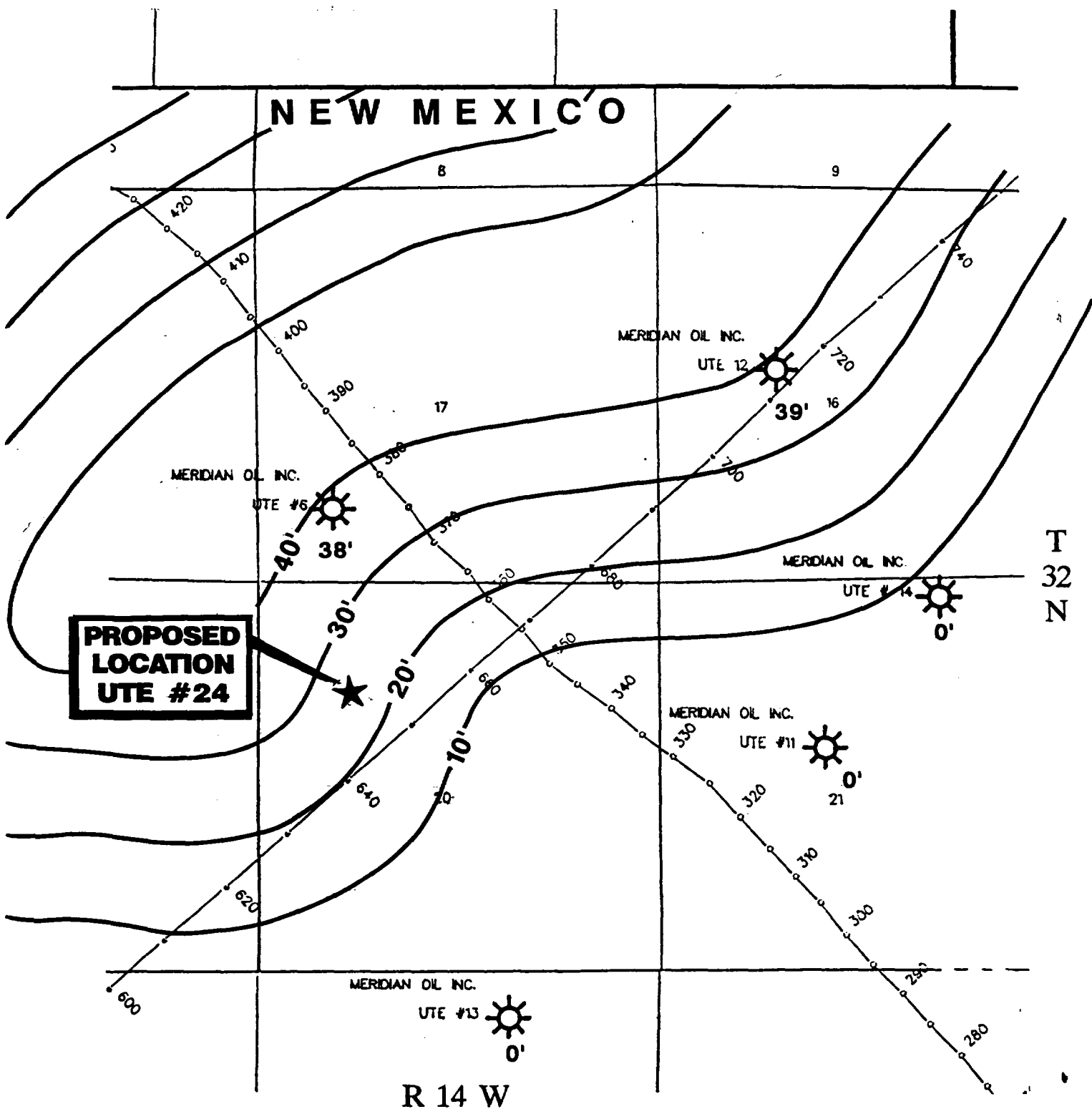
**MERIDIAN OIL**

TYPE LOG

BARKER CREEK DOME

SAN JUAN CO., NEW MEXICO





**BARKER CREEK PARADOX FIELD**  
San Juan County, New Mexico  
- NET PAY ISOPACH - DESERT CREEK  
CI = 10 Ft.

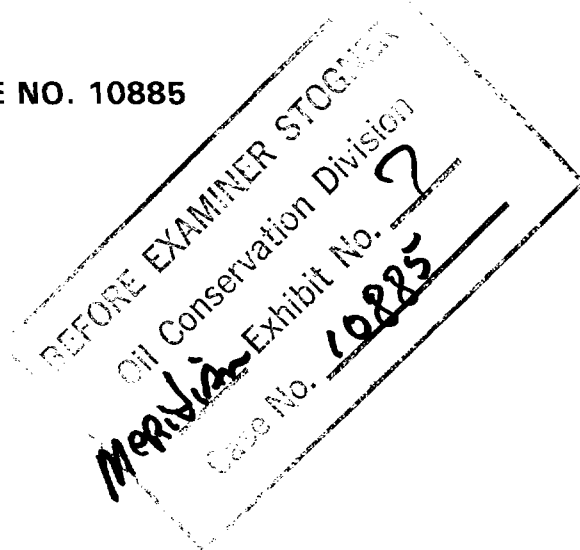
0 Scale: 1 Mile

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. 10885

UTE WELL NO. 24  
APPLICATION OF MERIDIAN OIL, INC.'S  
FOR AN UNORTHODOX GAS WELL  
LOCATION, BARKER CREEK- PARADOX GAS POOL,  
SAN JUAN COUNTY, NEW MEXICO



CERTIFICATE OF MAILING

AND

COMPLIANCE WITH ORDER R-8054

W. THOMAS KELLAHIN, attorney in fact and authorized representative of Meridian Oil Inc., states that the notice provisions of Division Rule 1207 (Order R-8054) have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested parties entitled to receive notice, that on the 23rd day of November 1993, I caused to be mailed by certified mail return-receipt requested notice of this hearing and a copy of the application for the above referenced case along with the cover letter, at least twenty days prior to the hearing set for December 16, 1993, to the parties shown in the application as evidenced by the attached copies of return receipt cards, and that pursuant to Division Rule 1207, notice has been given at the correct addresses provided by such rule.

  
W. Thomas Kellahin

SUBSCRIBED AND SWORN to before me this 15 day of DECEMBER, 1993.

  
Michele Guadagnoli  
Notary Public

My Commission Expires:

June 9, 1997

**Is your RETURN ADDRESS completed on the reverse side?**

**SENDER:**

- Complete items 1 and 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Mr. Steve Graham  
Bureau of Indian Affairs  
Ute Mountain Ute Agency  
Towaoc, Colorado 81334

4a. Article Number  
**670 814 753**

4b. Service Type

☐ Registered ☐ Insured  
☒ Certified ☐ COD  
☐ Express Mail ☒ Return Receipt for Merchandise

7. Date of Delivery  
**NOV 26 1993**

5. Signature (Addressee)  
*Steve Graham*

6. Signature (Agent)  
*Barbara Begay*

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 ★U.S. GPO: 1992-323-402 **DOMESTIC RETURN RECEIPT**

**Thank you for using Return Receipt Service.**

P 670 814 753

**Certified Mail Receipt**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Mr. Steve Graham  
Bureau of Indian Affairs  
Ute Mountain Ute Agency  
Towaoc, Colorado 81334

PS Form 3800, June 1990

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Address of Delivery	
TOTAL Postage & Fees	\$
Postmark or Date	

*11/28/93*

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
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Mr. Carig Canfield  
Ute Mountain Ute Tribe  
P.O. Box 42  
Towaoc, Colorado 81324

4a. Article Number

670 814 752

4b. Service Type

- |   |  |
|---|--|
| <input type="checkbox"/> Registered           | <input type="checkbox"/> Insured                                   |
| <input checked="" type="checkbox"/> Certified | <input checked="" type="checkbox"/> COD                            |
| <input type="checkbox"/> Express Mail         | <input checked="" type="checkbox"/> Return Receipt for Merchandise |

7. Date of Delivery

NOV 29 1993

5. Signature (Addressee)

Clara Root

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

NOV 29 1993

PS Form 3811, December 1991

★U.S. GPO: 1992-323-402

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Thank you for using Return Receipt Service.

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Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Address of Delivery	
TOTAL Postage & Fees	\$
Postmark or Date	