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:

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CASE NO. 10885

APPLICATION OF MERIDIAN OIL INC. FOR AN UNORTHODOX COAL GAS WELL LOCATION, 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

ATTORNEY

Meridian Oil Inc.	Ψ.
P. O. Box 4289	KEI
Farmington, N.M. 87499	P.C
Attn: John Zent	Sar
(303) 850-9758	(50

Thomas Kellahin LLAHIN AND KELLAHIN 0. Box 2265 nta Fe, NM 87504 05) 982-4285

OPPOSITION OR OTHER PARTY ATTORNEY

N/A

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STATEMENT OF CASE

APPLICANT

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The proposed location of the proposed Ute Well No. 24 is unorthodox for geologic considerations.

The well is to be located in the Barker Creek-Paradox Gas Pool at a location 1250 feet FWL and 1595 feet FNL (Unit E) of Section 20, T32N, R14W, San Juan County, New Mexico.

The Pool is spaced on 640-acre spacing with wells to be located not closer than 330 to the center and 1650 feet to any boundary of a section.

The geologic evidence indicates that the proposed location is the optimum location within Section 20, T32N, R14W, believed to have the greatest potential for production of gas from the Pool within the section.

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
John Zent (landman)	10 min.	3 exhibits
Jim Hornbeck (geologist)	15-20 Min.	3 exhibits

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PROCEDURAL MATTERS

None applicable at this time.

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