

KELLAHIN, KELLAHIN and AUBREY

Attorneys at Law

W. Thomas Kellahin
Karen Aubrey

El Patio - 117 North Guadalupe
Post Office Box 2265

Telephone 982-4285
Area Code 505

Jason Kellahin
Of Counsel

Santa Fé, New Mexico 87504-2265

Fax: 505/982-2047

August 14, 1989

HAND-DELIVERED

Mr. William J. LeMay
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504

RECEIVED

AUG 15 1989

OIL CONSERVATION DIVISION

Re: Application of Meridian Oil, Inc.
for Compulsory Pooling
Well Name: Allison Unit Well No. 135
San Juan County, New Mexico

Case 9750

Dear Mr. LeMay:

On behalf of Meridian Oil, Inc., please find enclosed our Application for Compulsory Pooling which we would request be set for hearing on the next available Examiner's docket now scheduled for September 6, 1989.

By copy of this letter to all parties to be pooled, we are notifying them by certified mail-return receipt, that they have the right to appear at the hearing, to make a statement to the Division, to present evidence and cross-examine witnesses either in support of or in opposition to the Application. Those parties are directed to contact the Division or the applicant's attorney to determine what additional rights they may have. In addition, they are advised that the entry of a Compulsory Pooling Order will affect their right to share in the production from the subject well.

Very truly yours,



W. Thomas Kellahin

WTK/rs
Encl.

cc: Mr. Alan Alexander - Federal Express
James Bruce, Esq. - Federal Express
Hinkle, Cox, Eaton, Coffield & Hensley
500 Marquette N.W., Suite 740
Albuquerque, New Mexico 87102-2121

Certified Mail-Return Receipt to all parties listed on Exhibit A of the Application, w/encl.

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS AUG 15 1989
OIL CONSERVATION DIVISION

RECEIVED

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF MERIDIAN OIL, INC. FOR
COMPULSORY POOLING
SAN JUAN COUNTY, NEW MEXICO

CASE: 9750

A P P L I C A T I O N

COMES NOW, MERIDIAN OIL, INC., by and through its attorneys, Kellahin, Kellahin and Aubrey, and in accordance with Section 70-2-17(c) NMSA (1978) applies to the New Mexico Oil Conservation Division for an order pooling all mineral interest in the Basin Fruitland Coal Gas Pool underlying Lots 1 and 2, SE/4NE/4, E/2SE/4 of Section 8 and SW/4 of Section 9, T32N, R6W, San Juan County, New Mexico. The above described unit is to be dedicated to its Allison Unit Well No. 135 to be drilled at standard well location in said Section 9, and in support thereof would show:

1. Applicant is the operator of the Allison Unit which is a majority working interest owner in the proposed spacing and proration unit.
2. Applicant desires to drill a well at a standard location 900' FSL and 1490' FWL of Section 9, T32N, R6W.

3. Applicant has sought a voluntary agreement with all those parties shown on Exhibit "A" for the formation of appropriate spacing and proration unit as shown on Exhibit B for the drilling of the subject well but has been unable to obtain a voluntary agreement.

4. Pursuant to the Division notice requirements, Applicant has notified all those parties shown on Exhibit "A" of this application for compulsory pooling and the Applicant's request for a hearing before the Division to be set on September 6, 1989.

5. In order to obtain its just and equitable share of the potential production underlying the above tract, Applicant needs an order pooling the mineral interests involved in order to protect Applicant's correlative rights and prevent waste.

WHEREFORE, Applicant prays that this application be set for hearing before the Division's duly appointed Examiner, and that after notice and hearing as required by law, the Division enter its order pooling the mineral interest described herein. Applicant further prays that it be named operator of the well, and that the order make provisions for Applicant to recover out of production its costs of drilling, completing and equipping the subject well, costs of

operation, including costs of supervision, and a risk factor in the amount of 200% for the drilling and completing of the well, for such other and further relief as may be proper.

Respectfully submitted,

By:



W. Thomas Kellahin

Kellahin, Kellahin & Aubrey
P.O. Box 2265
Santa Fe, New Mexico 87504

(505) 982-4285

Exhibit "A"

T.H. McElvain Oil and Gas Properties	40.9435928
220 Shelby Street	
Post Office Box 2148	
Santa Fe, New Mexico 87504-2148	

*Richmond-Hogue Oil and Gas Partnership
2651 North Harwood, Suite 360
Dallas, Texas 75201

*Subject to Farmout Agreement with Richmond-Hogue Oil
and Gas Company.

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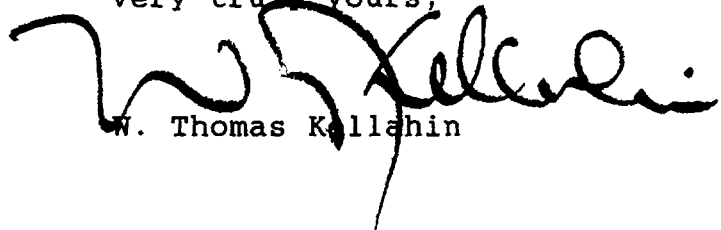
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Santa Fé, New Mexico 87504-2265

Telephone 982-4285

Area Code 505

Fax: 505/982-2047

Jason Kellahin
Of Counsel

September 12, 1989

Recd.
(Amend 9750)

HAND-DELIVERED

Mr. William LeMay
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87504

Re: First Amended Application of Meridian Oil, Inc.
for Compulsory Pooling,
Well Name: Allison Unit Well No. 135
San Juan County, New Mexico

Dear Mr. LeMay:

On behalf of Meridian Oil, Inc. please find enclosed our First Amended Application for Compulsory Pooling which we would request be set for hearing on the next available Examiner's docket now scheduled for October 4, 1989. This amends our application heard at the Examiner's hearing held on September 6, 1989.

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W. Thomas Kellahin

WTK/lw
Encl.

cc: Mr. Alan Alexander - Federal Express
Mr. Owen Lopez, Esq. - Federal Express
P.O. Drawer 2068
Santa Fe, New Mexico 87501

Certified Mail Return-Receipt all parties listed on Exhibit "A" of the Application, w/encl.

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

IN THE MATTER OF THE APPLICATION OF
MERIDIAN OIL, INC.
FOR COMPULSORY POOLING
SAN JUAN COUNTY, NEW MEXICO

CASE NO. 9750

F I R S T A M E N D E D
A P P L I C A T I O N

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3. Applicant amends its application to delete the acreage described in Case 9750 on Docket 26-89 as a non-standard spacing unit consisting of 317.51 acres, more or less, being the Lots 1 and 2, SE/4NE/4 and E/2SE/4 of Section 8 and SW/4 of Section 9 and substituting therefore the W/2 of Section 9 consisting of 278.2 acres which is a standard spacing unit pursuant to Rule 5 of the pool rules.
4. Applicant has sought a voluntary agreement with all those parties shown on Exhibit "A" for the formation of appropriate spacing unit for the drilling of the subject well, but has been unable to obtain a voluntary agreement.
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Respectfully submitted,

By: 
W. Thomas Kellahin

Kellahin, Kellahin & Aubrey
Post Office Box 2265
Santa Fe, New Mexico 87504

(505) 982-4285

EXHIBIT "A"

Attached to and made a part of that certain Operating Agreement dated August 11, 1989, between EL PASO NATURAL GAS COMPANY, as Operator, and Non-Operators.

I. LANDS SUBJECT TO OPERATING AGREEMENT:

Township 32 North, Range 6 West

Section 9: SW/4, S/2 NW/4, Lots 3, 4
Containing 278.20 acres, more or less

II. RESTRICTIONS, IF ANY, AS TO DEPTHS OR FORMATIONS:

This Agreement shall cover only the Fruitland Coal formation.

III. ADDRESSES AND PERCENTAGES OR FRACTIONAL INTERESTS OF PARTIES TO THIS AGREEMENT:

El Paso Natural Gas Company c/o Land Department Meridian Oil Inc. P.O. Box 4289 Farmington, New Mexico 87499-4289	Operator
Allison Unit Working Interest Owners c/o Land Department Meridian Oil Inc. P.O. Box 4289 Farmington, New Mexico 87499-4289	25.161754%
Southland Royalty Company c/o Land Department Meridian Oil Inc. P.O. Box 4289 Farmington, New Mexico 87499-4289	3.594536%
*T. H. McElvain Oil and Gas Properties 220 Shelby Street P.O. Box 2148 Santa Fe, New Mexico 87504-2148	55.934941%
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Judy G. Zweiback 9008 Pacific Omaha, NE 68114	1.797268%
Myrna G. Raffkind 3800 Danbury Amarillo, TX 79109	1.797268%
Barbara Ann Witten 535 East 86th Street New York, NY 10028	3.594536%
Robert C. Witten 535 East 86th Street New York, NY 10028	3.594536%
Vicki Mizel 101 West Broadway, #1300 San Diego, CA 92101	0.898634%

*Subject to Farmout Agreement with Richmond-Hogue Oil and Gas Company

EXHIBIT "A" (CONTINUED)

III. ADDRESSES AND PERCENTAGES OR FRACTIONAL INTERESTS OF PARTIES TO THIS AGREEMENT (CONTINUED):

Gary Dean Mizel 0.898634%
c/o Pamela Staack
3801 East Florida Ave., #605
Denver, CO 80210

Steven Mayer Mizel 0.898634%
c/o Kaufmann Alsberg & Co.
20 Broad Street
27th Floor
New York, NY 10005

Larry Mizel 0.898634%
3600 Yosemite Street
Suite 1040
Denver, CO 80281

Lance Brewster Reemstma 0.336988%
57 Edgcroft Road #A
Kensington, California 94707

Malcolm E. Smith 0.449317%
803 S. Edgefield Ave.
Dallas, Texas 75208

Jessie Mae Wakeland 0.112329%
603 W. Peter Smith
Fort Worth, Texas 76104

Edgar John Layland 0.031991%
102 Hutchinson Drive
Smyrna, Tennessee 37167

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SEP 12 1989

OIL CONSERVATION DIVISION

Re: First Amended Application of Meridian Oil, Inc.
for Compulsory Pooling,
Well Name: Allison Unit Well No. 135
San Juan County, New Mexico

Case 9750

Dear Mr. LeMay:

On behalf of Meridian Oil, Inc. please find enclosed our First Amended Application for Compulsory Pooling which we would request be set for hearing on the next available Examiner's docket now scheduled for October 4, 1989. This amends our application heard at the Examiner's hearing held on September 6, 1989.

By copy of this letter to all parties to be pooled, we are notifying them by certified mail, return-receipt requested, that they have the right to appear at the hearing, to make a statement to the Division, to present evidence and cross-examine witnesses either in support of or in opposition to the application. In addition, they are advised that the entry of a Compulsory Pooling Order will affect their rights to share in the production from the subject well.

Very truly yours,


W. Thomas Kellahin

WTK/lw
Encl.

cc: Mr. Alan Alexander - Federal Express
Mr. Owen Lopez, Esq. - Federal Express
P.O. Drawer 2068
Santa Fe, New Mexico 87501

Certified Mail Return-Receipt all parties listed on Exhibit "A" of the Application, w/encl.

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

RECEIVED

SEP 12 1981

IN THE MATTER OF THE APPLICATION OF
MERIDIAN OIL, INC.
FOR COMPULSORY POOLING
SAN JUAN COUNTY, NEW MEXICO

OIL CONSERVATION DIVISION

CASE NO. 9750

F I R S T A M E N D E D
A P P L I C A T I O N

COMES NOW, MERIDIAN OIL, INC., by and through its attorneys, Kellahin, Kellahin & Aubrey and in accordance with Section 70-2-17(c) NMSA (1978) applies to the New Mexico Oil Conservation Division for an order pooling all mineral interest in the Basin Fruitland Coal Gas Pool underlying the W/2 of Section 9, T32N, R6W, San Juan County, New Mexico. The above described unit is to be dedicated to its Allison Unit Well #135 to be drilled at standard well location in said Section 9, and in support thereof would show:

1. Applicant is the operator of the Allison Unit which is a majority working interest owner in the proposed spacing and proration unit.
2. Applicant desires to drill a well at a standard location 900' FSL and 1490' FWL of Section 9, T32N, R6W.

3. Applicant amends its application to delete the acreage described in Case 9750 on Docket 26-89 as a non-standard spacing unit consisting of 317.51 acres, more or less, being the Lots 1 and 2, SE/4NE/4 and E/2SE/4 of Section 8 and SW/4 of Section 9 and substituting therefore the W/2 of Section 9 consisting of 278.2 acres which is a standard spacing unit pursuant to Rule 5 of the pool rules.
4. Applicant has sought a voluntary agreement with all those parties shown on Exhibit "A" for the formation of appropriate spacing unit for the drilling of the subject well, but has been unable to obtain a voluntary agreement.
5. Pursuant to the Division notice requirements, applicant has notified all those parties shown on Exhibit "A" of this application for compulsory pooling and the Applicant's request for a hearing before the Division to be set on October 4, 1989.
6. In order to obtain its just and equitable share of the potential production underlying the above tract, Applicant needs an order pooling the mineral interest involved in order to protect Applicant's correlative rights and prevent waste.

WHEREFORE, Applicant prays that this application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter

its order pooling the mineral interest described herein. Applicant further prays that it be named operator of the well, and that the order make provisions for Applicant to recover out of production its consists of drilling, completing and equipping the subject well, costs of operation, including costs of supervision, and a risk factor in the amount of 150% for the drilling and completing of the well, for such other and further relief as may be proper.

Respectfully submitted,

By: 
W. Thomas Kellahin

Kellahin, Kellahin & Aubrey
Post Office Box 2265
Santa Fe, New Mexico 87504

(505) 982-4285

EXHIBIT "A"

Attached to and made a part of that certain Operating Agreement dated August 11, 1989, between EL PASO NATURAL GAS COMPANY, as Operator, and Non-Operators.

I. LANDS SUBJECT TO OPERATING AGREEMENT:

Township 32 North, Range 6 West

Section 9: SW/4, S/2 NW/4, Lots 3, 4
Containing 278.20 acres, more or less

II. RESTRICTIONS, IF ANY, AS TO DEPTHS OR FORMATIONS:

This Agreement shall cover only the Fruitland Coal formation.

III. ADDRESSES AND PERCENTAGES OR FRACTIONAL INTERESTS OF PARTIES TO THIS AGREEMENT:

El Paso Natural Gas Company c/o Land Department Meridian Oil Inc. P.O. Box 4289 Farmington, New Mexico 87499-4289	Operator
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Allison Unit Working Interest Owners c/o Land Department Meridian Oil Inc. P.O. Box 4289 Farmington, New Mexico 87499-4289	25.161754%
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Southland Royalty Company c/o Land Department Meridian Oil Inc. P.O. Box 4289 Farmington, New Mexico 87499-4289	3.594536%
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*T. H. McElvain Oil and Gas Properties 220 Shelby Street P.O. Box 2148 Santa Fe, New Mexico 87504-2148	55.934941%
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*Richmond-Hogue Oil and Gas Company
2651 North Harwood, Suite 360
Dallas, Texas 75201

Judy C. Zweiback 9008 Pacific Omaha, NE 68114	1.797268%
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Myrna G. Raffkind 3800 Danbury Amarillo, TX 79109	1.797268%
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Barbara Ann Witten 535 East 86th Street New York, NY 10028	3.594536%
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Robert C. Witten 535 East 86th Street New York, NY 10028	3.594536%
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Vicki Mizel 101 West Broadway, #1300 San Diego, CA 92101	0.898634%
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*Subject to Farmout Agreement with Richmond-Hogue Oil and Gas Company

EXHIBIT "A" (CONTINUED)

III. ADDRESSES AND PERCENTAGES OR FRACTIONAL INTERESTS OF PARTIES TO THIS AGREEMENT (CONTINUED):

Gary Dean Mizel 0.898634%
c/o Pamela Staack
3801 East Florida Ave., #605
Denver, CO 80210

Steven Mayer Mizel 0.898634%
c/o Kaufmann Alsberg & Co.
20 Broad Street
27th Floor
New York, NY 10005

Larry Mizel 0.898634%
3600 Yosemite Street
Suite 1040
Denver, CO 80281

Lance Brewster Reemstma 0.336988%
57 Edgcroft Road #A
Kensington, California 94707

Malcolm E. Smith 0.449317%
803 S. Edgefield Ave.
Dallas, Texas 75208

Jessie Mae Wakeland 0.112329%
603 W. Peter Smith
Fort Worth, Texas 76104

Edgar John Layland 0.031991%
102 Hutchunson Drive
Smyrna, Tennessee 37167