KELLAHIN, KELLAHIN and AUBREY Attorneys at Law

W. Thomas Kellahin Karen Aubrev

Jason Kellahin Of Counsel

El Patio - 117 North Guadalupe Post Office Box 2265

Santa Fé, New Mexico 87504-2265

Telephone 982-4285 Area Code 505

Fax: 505/982-2047

October 23, 1989

HAND DELIVERED

Mr. William J. LeMay Oil Conservation Division P.O. Box 2088

Santa Fe. New Mexico 87501

Meridian Oil Inc., on behalf of El Paso Natural Gas Company, for Unorthodox Location, San Juan 30-6 Unit Well No. 482, Basin Fruitland Coal Gas Pool, Rio Arriba County. New Mexico

RECEIVED

OCT 24 1989

OIL CONSERVATION DIVISION

Case 9\$/3

Dear Mr. LeMay:

Enclosed please find the original and one copy of Meridian Oil Inc.'s application on behalf of El Paso Natural Gas Company, for approval of an unorthodox location in the Basin Fruitland Coal Gas Pool, Rio Arriba County, New Mexico. Please set this application for hearing on the examiner docket on November 15, 1989.

Thomas Rel

WTK/tic Encl.

xc: Mr. Alan Alexander Meridian Oil, Inc.

P.O. Box 4289

Farmington, New Mexico 87499-4289

OCT 24 1009

GIL CONSERVATION DIVISION

STATE OF NEW MEXICO

ENERGY. MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF MERIDIAN OIL INC. ON BEHALF OF EL PASO NATURAL GAS COMPANY, FOR APPROVAL OF AN UNORTHODOX LOCATION. BASIN FRUITLAND COAL GAS POOL, RIO ARRIBA COUNTY. NEW MEXICO

Case No. 98/3

APPLICATION

COMES NOW Meridian Oil Inc., on behalf of El Paso Natural Gas Company. by and through its attorneys, KELLAHIN, KELLAHIN & AUBREY, and applies to the New Mexico Oil Conservation Division for approval of an unorthodox Basin Fruitland Coal gas well location for its San Juan 30-6 Unit No. 482 Well, 835 feet FSL and 2440 feet FWL (SE/4 SW/4) of Section 31, T30N, R6W, Rio Arriba County, New Mexico.

- 1. El Paso Natural Gas Company is the operator of the above-described proration and spacing unit and of the San Juan $30-6\ \mathrm{Unit}$.
- 2. Applicant proposes to form a standard proration and spacing unit consisting of the W/2 of Section 31, in accordance with the rules governing the Basin Fruitland Coal Pool.
- 3. Due to archaeological considerations, Applicant proposes to drill its San Juan 30-6 Unit No. 482 Well at an unorthodex gas well location 835 feet FSL and 2440 feet FWL (SE/4 SW/4) of Section 31. T30N, R6W. Rio Arriba County, New Mexico.

- 4. Attached as Exhibit A is a plat showing the described acreage and the proposed well location.
- 5. The subject well is unorthodox only to the east boundary of the spacing unit and only encroaches towards another spacing unit within the same San Juan 30-6 Unit. Therefore, no notices are required to any offsetting operator.

WHEREFORE, Applicant requests that after notice and hearing, the application be granted.

KELLAHIN, KELLAHIN & AUBREY

W. Thomas Kellahin Post Office Box 2265

Santa Fe, New Mexico 87504

(505) 982-4285

Attorneys for Meridian Oil Inc.

EL PASO NATURAL GAS COMPANY

Well Name San Juan 30-6 Unit #492 835' FSL; 2440'FWL Footage APPLICATION FOR NON-STANDARD LOCATION County Rio Arriba State New Mexico Section 31 Township 30N Range 6W 2440' 2 Remarks 1) San Juan 30-6 Unit - El Paso Natural Gas - Operator 2) San Juan 29-7 Unit - El Paso Natural Gas - Operator 3) San Juan 29-6 Unit - Northwest Pipeline Corp. - Operator

EXHIBIT "A"