



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

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

August 14, 1990

Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499-4289

Attention: Peggy Bradfield

Administrative Order NSL-2842

Dear Ms. Bradfield:

Reference is made to your application dated June 5, 1990 for a non-standard Basin-Fruitland coal gas well location for your existing Kutz Deep Test Well No. 1 which was drilled in 1951 and completed in the Fulcher Kutz Pictured Cliffs Pool at a standard gas well location gas 990 feet from the South line and 1650 feet from the East line (Unit O) of Section 21, Township 28 North, Range 10 West, NMPM, San Juan County County, New Mexico.

It is my understanding that the Pictured Cliffs zone will be properly plugged back and said well will be recompleted to the Basin-Fruitland Coal Gas Pool, which pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool as promulgated by Division Order No. R-8768, is unorthodox. Further, the E/2 of said Section 21 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of said Division Order No. R-8768, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
W. Thomas Kellahin - Santa Fe
* File: Case No. 10020

MERIDIAN OIL

June 5, 1990

Certified Mail

Mr. William LeMay
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87503

Case 10020

RE: Kutz Deep Test #1
990'FSL, 1650'FEL
Section 21, T-28-N, R-10-W
San Juan County, New Mexico

Dear Mr. LeMay:

This is a request for administrative approval for a non-standard gas well location in the Basin Fruitland Pool.

Meridian Oil intends to plugback and recomplete the Kutz Deep Test #1 well from the Pictured Cliffs pool to the Basin Fruitland Coal Pool. The current location of this well is 990'FSL, 1650'FEL, Section 21, T-28-N, R-10-W, San Juan County, New Mexico. The well is considered non-standard due to the NE-SW dedicated pattern established for the Basin Fruitland Coal Pool. To comply with the New Mexico Oil Conservation Division rules, Meridian is submitting the following for your approval of this non-standard location:

1. C-102 plat showing location of the well;
2. Plat showing offset owners/operators;
3. Affidavit of notification of offset owners/operators;
4. Copy of Well Completion Log for original completion.

A copy of this application is being submitted to all offset owners/operators by certified mail with a request that they furnish your Santa Fe office with a Waiver of Objection, and return one copy to this office.

Sincerely yours,



Peggy Bradfield
encl.

WAIVER

_____ hereby waives objection to Meridian Oil Inc.'s application for a non-standard location for their Kutz Deep Test #1 as proposed above.

By: _____ Date: _____

xc: Southland Royalty Company
Amoco Production Company
Breck Operating Company

Kutz Deep Test #1
990'FSL, 1650'FEL
Section 21, T-28-N, R-10-W
San Juan County, New Mexico

I hereby certify that the following offset owners/operators have been mailed notification of our application for administrative approval for non-standard gas well location for the plugback and recompletion of the above well.

Southland Royalty Company
P.O. Box 4289
Farmington, NM 87499

Amoco Production Company
P.O. Box 800
Denver, CO 80201

Breck Operating Company
P.O. Box 911
Breckenridge, TX 76024-0911



Peggy Bradfield
June 5, 1990

San Juan County
State of New Mexico

My commission expires August 17, 1992

Submit 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 Kutz Deen Test (SF-077383A)		Well No. 1
Unit Letter 0	Section 21	Township 28 North	Range 10 West	County San Juan	
Actual Footage Location of Well: 990 feet from the South line and 1650 feet from the East line					
Ground level Elev. 6124'	Producing Formation Fruitland Coal		Pool Basin	Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or lecture 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 communitization agreement will be
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) obtained
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 each interest, has been approved by the Division.

Prepared from a plat
dated 8-17-51 by
C. O. Walker.

OPERATOR CERTIFICATION

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

Signature
Peggy Bradfield
Printed Name
Regulatory Affairs
Position
Meridian Oil Inc.
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. 5-23-90

Date Surveyed

Signature
Professional
NEALE C. EDWARDS
NEW MEXICO
6857
REGISTERED LAND SURVEYOR
Certificate No.
Neale C. Edwards

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

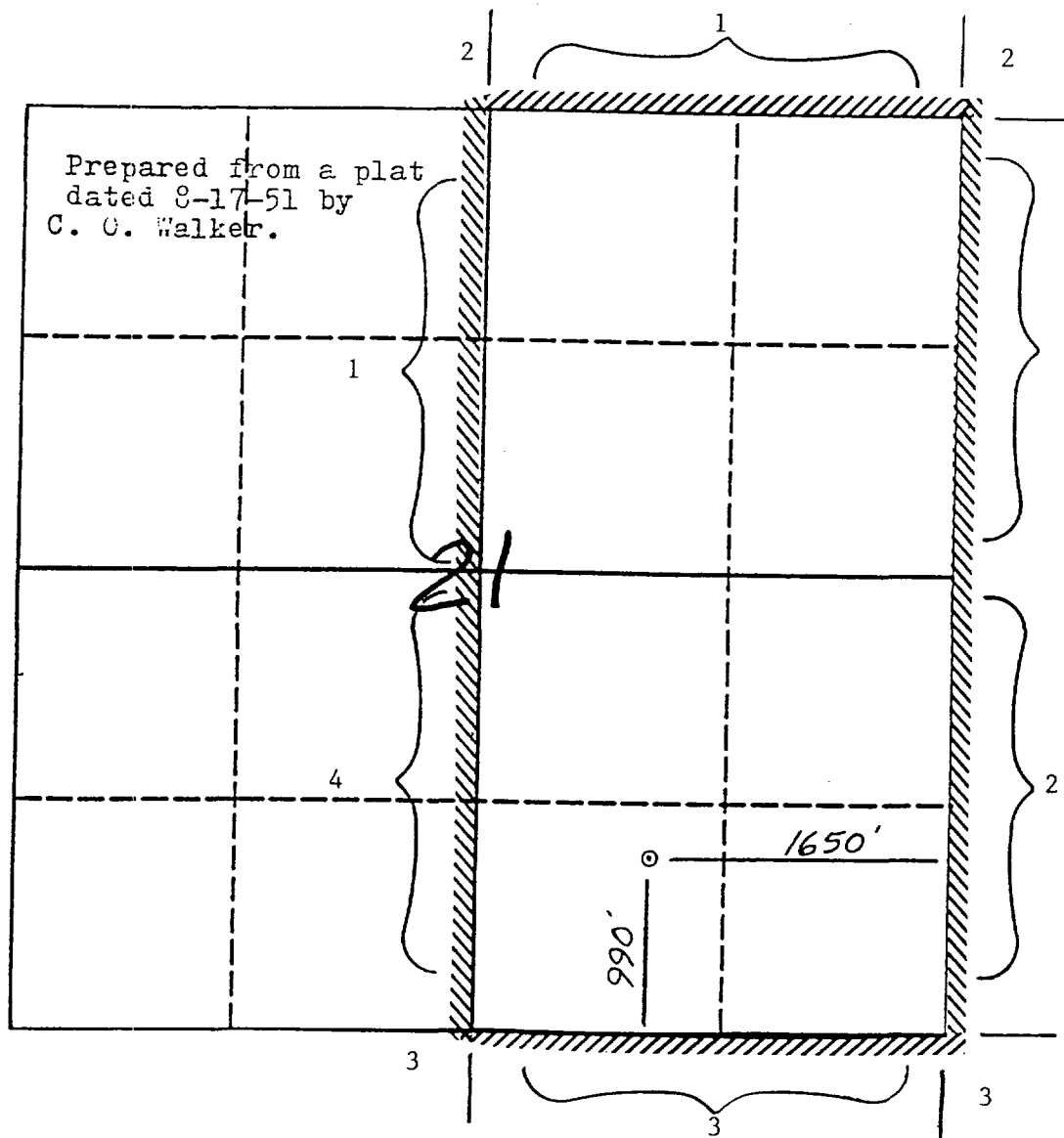
MERIDIAN OIL INC.

Well Name Kutz Deep Test #1

Footage---- 990' FSL; 1650' FEL

APPLICATION FOR NON-STANDARD PRORATION UNIT

County San Juan State New Mexico Section 21 Township 28N Range 10W

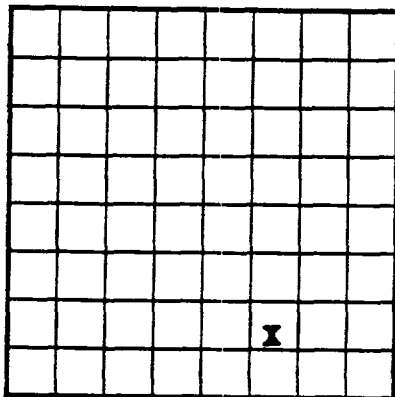


REMARKS:

- 1) Meridian Oil Inc.
- 2) Southland Royalty Company
- 3) Amoco Production Company
- 4) Breckenridge Operating Company

PO Box 911

Breckenridge, TX 76024-0911

U. S. LAND OFFICE Santa Fe
SERIAL NUMBER 077383
LEASE OR PERMIT TO PROSPECT Kutz

LOCATE WELL CORRECTLY

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

LOG OF OIL OR GAS WELL

Company El Paso Natural Gas Co. Address P.O. Box 997, Farmington, New Mexico
 Lessor or Tract Kutz Deep Test Field Fulcher-Kutz State New Mexico
 Well No. 1 Sec. 21 T. 23N R. 10W Meridian 109W County San Juan
 Location 990 ft. (S.) of 8 Line and 1650 ft. (W.) of 3 Line of Sec. 21 Elevation 6120
(Derive from section to the level)

The information given herewith is a complete and correct record of the well and all work done thereon so far as can be determined from all available records.

Signed ORIGINAL SIGNED E. J. COELDate November 20, 1951Title Geologist

The summary on this page is for the condition of the well at above date.

Commenced drilling October 5, 1951 Finished drilling October 11, 1951

OIL OR GAS SANDS OR ZONES

(Denote gas by G)

No. 1, from 2152 to 2210 (G) No. 4, from _____ to _____
 No. 2, from _____ to _____ No. 5, from _____ to _____
 No. 3, from _____ to _____ No. 6, from _____ to _____

IMPORTANT WATER SANDS

No. 1, from _____ to _____ No. 3, from _____ to _____
 No. 2, from _____ to _____ No. 4, from _____ to _____

CASING RECORD

Size casing	Weight per foot	Threads per inch	Make	Amount	Kind of shoe	Cut and pulled from	Perforated		Purpose
							From—	To—	
8-5/8	21.58	8	8-5/8	103					
5-9/16	21.58	8	5-9/16	140					
HISTORY OF OIL OR GAS WELL									

MUDDING AND CEMENTING RECORD

Size casing	Where set	Number sacks of cement	Method used	Mud gravity	Amount of mud used
8-5/8	103	60	Circulating		
5-9/16	2158	140	Single Stage		

PLUGS AND ADAPTERS

Heaving plug—Material _____ Length _____ Depth set _____
 Adapters—Material _____ Size _____

KELLAHIN, KELLAHIN AND AUBREY

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

W. THOMAS KELLAHIN
KAREN AUBREY

CANDACE HAMANN CALLAHAN

JASON KELLAHIN
OF COUNSEL

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

July 16, 1990

RECEIVED

JUL 17 1990

OIL CONSERVATION DIV.
SANTA FE

HAND DELIVERED

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

Re: NMOCD Case No. 10022
Feasel A No. 3 Well
990' FNL, 1070' FWL,
Sec. 34, T28N, R10W,
San Juan County, New Mexico

NMOCD Case No. 10020
Kutz Deep Test No. 1
990' FSL, 1650' FEL,
Sec. 21, T28N, R10W,
San Juan County, New Mexico

NMOCD Case No. 10021
Kutz Deep Test No. 2
990' FSL, 990' FEL,
Sec. 28, T28N, R10W,
San Juan County, New Mexico

NMOCD Case No. 10019
Kutz Canyon Oil & Gas Well No. 1
990' FSL, 1650' FWL,
Sec. 17, T28N, R10W,
San Juan County, New Mexico

Dear Mr. LeMay:

Our firm represents Meridian Oil, Inc. in each of the referenced cases which were originally filed for administrative approval as unorthodox gas wells in the Basin Fruitland Coal Gas Pool. Thereafter, as a result of an objection filed by Breck Operating Corp. the Division placed these cases on the Examiner docket for hearing on July 25 1990, and directed Meridian to provide notice of hearing.

William J. LeMay
July 16, 1990
Page 2

In order to comply with the notice requirements of Rule 1207, we will need additional time and, therefore, request that the referenced cases be continued from July 25, 1990 to the Examiner Hearing set for August 8, 1990.

By copy of this letter, with enclosures, we are notifying the appropriate offsetting parties 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. In addition, any party desiring to participate should complete and file with the Division, copy to the undersigned, a pre-hearing statement by Friday, August 3, 1990 at 4:00 p.m.

Very truly yours,



W. Thomas Kellahin

WTK/tic
Enclosure

cc: Alan Alexander
Meridian Oil, Inc.
Post Office Box 4289
Farmington, New Mexico 87499-4289

Certified mail return-receipt
Breck Operating Corp.
Post Office Box 911
Breckenridge, Texas 76024-0911
Attn: Ronald A. Holloway

Merrion Oil & Gas Corporation
Post Office Box 840
Farmington, New Mexico 87400

Damson Oil Co.
Post Office Box 4391
Houston, Texas 77210-4391

Amoco Production Company
Attn: Southern Division Production Manager
Post Office Box 800
Denver, Colorado 80201



GARREY CARRUTHERS
GOVERNOR

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

X: ~~ABB~~ Bdb
REF
JWC

MERIDIAN OIL
JUL 2 - 1990
FARMINGTON, NEW MEXICO
REGULATORY

JUL 1990

June 29, 1990

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499-4289

Attention: Peggy Bradfield

RE: *Administrative Application for an unorthodox coal gas well location; Kutz Canyon Oil and Gas Well No. 1, 990' FSL - 1650' FWL (Unit O), Section 17, Township 28 North, Range 10 West, NMPM, Basin Fruitland Coal Gas Pool, San Juan County, New Mexico.*

Dear Ms. Bradfield:

This agency has received an objection from Breck Operating Corporation to the subject filing in a timely manner (see copy attached); therefore, this matter will be set for hearing before an examiner on the next available docket scheduled for July 25, 1990.

Please provide adequate notice for such an application prior to the hearing as required by Division General Rule 1207.

If you should have any questions concerning this matter, please contact me.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
Breck Operating Corporation Breckenridge, TX



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

XL: 44-73ab
REF
JWC

GARREY CARRUTHERS
GOVERNOR

June 29, 1990

POST OFFICE BOX 2028
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499-4289

Attention: Peggy Bradfield

MERIDIAN OIL
JUL 2 - 1990
FARMINGTON, NEW MEXICO
REGULATORY

*RE: Administrative Application for an unorthodox coal
gas well location; Kutz Deep Test No. 2, 990' FSL -
990' FEL (Unit P), Section 28, Township 28 North,
Range 10 West, NMPM, Basin Fruitland Coal Gas
Pool, San Juan County, New Mexico.*

Dear Ms. Bradfield:

This agency has received an objection from Breck Operating Corporation to the subject filing in a timely manner (see copy attached); therefore, this matter will be set for hearing before an examiner on the next available docket scheduled for July 25, 1990.

Please provide adequate notice for such an application prior to the hearing as required by Division General Rule 1207.

If you should have any questions concerning this matter, please contact me.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
Breck Operating Corporation Breckenridge, TX



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

GARREY CARRUTHERS
GOVERNOR

Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499-4289

Attention: Peggy Bradfield

June 29, 1990

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

MERIDIAN OIL
JUL 2 - 1990
FARMINGTON, NEW MEXICO
REGULATORY

*RE: Administrative Application for an unorthodox coal
gas well location; Feasel A No. 3, 990' FNL -
1070' FWL (Unit D), Section 34, Township 28
North, Range 10 West, NMPM, Basin Fruitland
Coal Gas Pool, San Juan County, New Mexico.*

Dear Ms. Bradfield:

This agency has received an objection from Breck Operating Corporation to the subject filing in a timely manner (see copy attached); therefore, this matter will be set for hearing before an examiner on the next available docket scheduled for July 25, 1990.

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Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

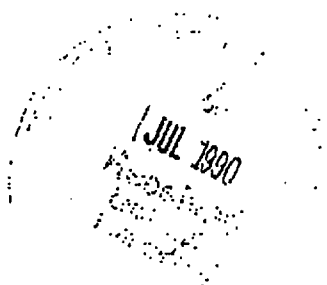
MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
Breck Operating Corporation Breckenridge, TX



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

GARREY CARRUTHERS
GOVERNOR



June 29, 1990

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

MERIDIAN OIL

Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499-4289

JUL 2 - 1990
FARMINGTON, NEW MEXICO
REGULATORY

Attention: Peggy Bradfield

*RE: Administrative Application for an unorthodox coal
gas well location; Kutz Deep Test No. 1, 990' FSL -
1650' FEL (Unit O), Section 21, Township 28
North, Range 10 West, NMPM, Basin Fruitland
Coal Gas Pool, San Juan County, New Mexico.*

Dear Ms. Bradfield:

This agency has received an objection from Breck Operating Corporation to the subject filing in a timely manner (see copy attached); therefore, this matter will be set for hearing before an examiner on the next available docket scheduled for July 25, 1990.

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If you should have any questions concerning this matter, please contact me.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
Breck Operating Corporation Breckenridge, TX



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

August 21, 1990

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Mr. Thomas Kellahin
Kellahin, Kellahin & Aubrey
Attorneys at Law
Post Office Box 2265
Santa Fe, New Mexico

Re: CASE NO. 10020
ORDER NO. R-9262

Applicant:

Meridian Oil, Inc.

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Division order recently entered in the subject case.

Sincerely,

Florene Davidson

FLORENE DAVIDSON
OC Staff Specialist

Copy of order also sent to:

Hobbs OCD X
Artesia OCD X
Aztec OCD X

Other James Bruce