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W. THOMAS KELLAHIN  
KAREN AUBREY

CANDACE HAMANN CALLAHAN

JASON KELLAHIN  
OF COUNSEL

July 16, 1990

**RECEIVED**

HAND-DELIVERED

Mr. William J. LeMay  
Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87501

JUL 17 1990

OIL CONSERVATION DIV  
SANTA FE

Re: Meridian Oil, Inc.'s Application  
for Eleven (11) Non-Standard Spacing and  
Proration Units, Basin Fruitland Coal Gas Pool,  
Rio Arriba County, New Mexico

10042

Dear Mr. LeMay:

On behalf of Meridian Oil, Inc., please set the  
enclosed application for hearing at the next available  
examiner's docket now set for August 8, 1990.

We suggest the following to be used for the  
advertisement for this case:

Application of Meridian Oil, Inc. for eleven  
non-standard spacing and proration units, Rio Arriba  
County, New Mexico. Applicant in the above-styled  
cause seeks approval of eleven non-standard spacing and  
proration units for wells in Sections 12, 13, 24, 25,  
and 36 of T30N, R6W; Sections 30 and 31 of T30N, R7W;  
Sections 6, 7, 18, and 19 of T29N, R7W, Rio Arriba  
County, New Mexico. Said locations are approximately  
\_\_\_\_\_ miles from \_\_\_\_\_.

By copy of this letter and application sent certified  
mail, return-receipt requested, we are notifying each of the  
offsetting owners and/or operators of their right to appear  
at the hearing either in support of or in opposition to this  
application.

Mr. William J. LeMay  
July 16, 1990  
Page 2

Should any party desire more information about this matter or about the procedures for hearing this application, they may call the Division or the undersigned.

Very truly yours,



W. Thomas Kellahin

WTK/tic

cc: Mr. Alan Alexander  
Meridian Oil, Inc.  
P.O. Box 4289  
Farmington, New Mexico 87499-4289

"Certified-Return Receipt Requested"

All parties listed on Exhibit A.

RECEIVED

JUL 17 1990

OIL CONSERVATION DIV.  
SANTA FE

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 ELEVEN NON-STANDARD  
PRORATION AND SPACING UNITS, BASIN  
FRUITLAND COAL GAS POOL,  
RIO ARriba COUNTY, NEW MEXICO

CASE NO. 10042

APPLICATION

COMES NOW MERIDIAN OIL, INC., by and through its  
attorneys, KELLAHIN, KELLAHIN & AUBREY, and applies to the  
New Mexico Oil Conservation Division for approval of eleven  
non-standard proration and spacing units in the Basin  
Fruitland Coal Gas Pool as follows:

	<u>Description</u>	<u>Acres</u>
Lot 1, 2, 3, 6	W/2 E/2 (E/2) Section 12, T30N. R6W	227.48-71.09%
Lot 1 - 4	W/2 E/2 (E/2) Section 13, T30N, R6W	227.76-71.18%
Lot 1 - 4	W/2 E/2 (E/2) Section 24, T30N, R6W	228.52-71.44%
Lot 1 - 4	W/2 E/2 (E/2) Section 25, T30N, R6W	229.56-71.74%
Lot 1 - 4	W/2 E/2 (E/2) Section 36, T30N, R6W	230.24-71.95%
✓ Lot 5 - 8	E/2 W/2 (W/2) Section 30, T30N, R7W	209.36-65.43%
Lot 5 - 8	E/2 W/2 (W/2) Section 31, T30N, R7W	211.32-66.04%
✓ Lot 10 - 14	SE/4NW/4, E/2SW/4 (W/2) Section 6, T29N, R7W	215.22-67.26%
✓ Lot 5 - 8	E/2 W/2 (W/2) Section 7, T29N, R7W	226.72-70.85%
✓ Lot 5 - 8	E/2 W/2 (W/2) Section 18, T29N, R7W	231.03-72.20%
✓ Lot 5 - 8	E/2 W/2 (W/2) Section 19, T29N, R7W	238.88-74.65%

1. Applicant is a working interest owner and the  
operator of the eleven spacing units.

2. As a result of governmental surveys, the eastern side of T30N, R9W and the western side of T30N, R7W and T29N, R7W, consist of a series of irregularly shaped lots, each of which contains more or less than 40 acres, resulting in the necessity for proration and spacing units, which are contrary to the Oil Conservation Division rules for Basin Fruitland Coal gas wells.

3. Applicant proposes to dedicate the acreage described above to Basin Fruitland Coal Gas Wells as shown on Exhibit B.

4. Attached as Exhibit A is a list of all offsetting owners and/or operators who are required by Division rules to receive notification of this application and the request for the August 8, 1990 hearing.

5. Pursuant to Division rules, a copy of this application was mailed by certified mail, return-receipt requested, to all parties listed on Exhibit A.

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 87504-2265  
(505) 982-4285

EXHIBIT A

Northwest Pipeline Corporation  
Attn: Mr. Darrell Gillen  
Post Office Box 58900  
Salt Lake City, Utah 84158-0900

Blackwood & Nichols Co., Ltd.  
Attn: Mr. Bill Clark  
Post Office Box 1237  
Durango, Colorado 81302-1237

Amoco Production Company  
Post Office Box 800  
Denver, Colorado 80201

Mesa Limited Partnership  
Post Office Box 2009  
Amarillo, Texas 79189

Texaco, Inc.  
Attn: Land Department  
Post Office Box 3109  
Midland, Texas 79702

Union Texas Petroleum  
P.O. Box 2120  
Houston, Texas 77252-2120

Southern Union Exploration  
Attn: Martin Boggs  
324 Highway US #64  
NBU 3001  
Farmington, New Mexico 87401

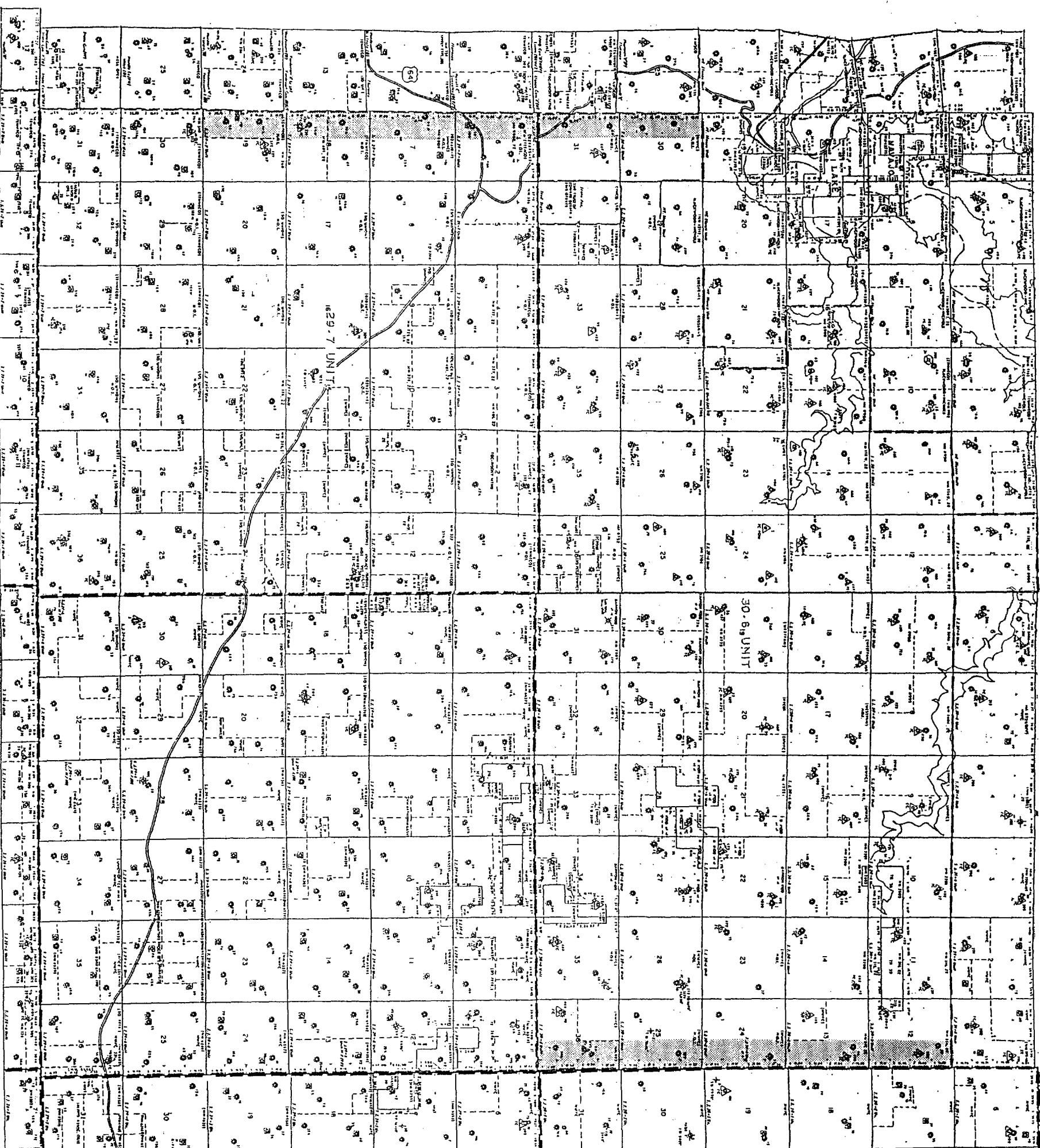
R 7 W

R 6 W

T 30 N

T 29 N

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MILE



**MERIDIAN OIL**

NON-STANDARD SPACING UNITS

T-29-N, R-7-W

T-30-N, R-6&7-W

San Juan Co., New Mexico

Exhibit B