

KELLAHIN, KELLAHIN AND AUBREY

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

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

W. THOMAS KELLAHIN
KAREN AUBREY

CANDACE HAMANN CALLAHAN

JASON KELLAHIN
OF COUNSEL

July 31, 1990

HAND-DELIVERED

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

Re: Meridian Oil, Inc.'s Application
for three (3) Non-Standard Spacing and
Proration Units, Basin Fruitland Coal Gas Pool,
San Juan County, New Mexico

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 22, 1990.

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

Application of Meridian Oil, Inc. for eight
non-standard spacing and proration units, San Juan
County, New Mexico. Applicant in the above-styled
cause seeks approval of three non-standard spacing and
proration units for wells being portions of Sections
6, 7, 18, 19 and 30 of T31N, R8W, N.M.P.M., San Juan
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.

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OIL CONSERVATION DIV.
SANTA FE

10056

Mr. William J. LeMay
July 31, 1990
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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,

A handwritten signature in dark ink, appearing to read 'W. Thomas Kellahin', written over a horizontal line.

W. Thomas Kellahin

WTK/tic
Enclosure

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.

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

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IN THE MATTER OF THE APPLICATION
OF MERIDIAN OIL, INC. FOR
APPROVAL OF THREE NON-STANDARD
PRORATION AND SPACING UNITS, BASIN
FRUITLAND COAL GAS POOL,
SAN JUAN COUNTY, NEW MEXICO

CASE NO. 10056

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 applies to the New
Mexico Oil Conservation Division for approval of three
non-standard proration and spacing units in the Basin Fruitland
Coal Gas Pool as follows:

- (1) Jacquez #331
NSPU Description: Lots 3-7, SE/4 NW/4, E/2 SW/4
Section 6; Lots 1, 2, E/2 NW/4
Section 7 332.94 acres
- (2) Quinn #341
NSPU Description: Lots 1 - 4, E/2 W/2 Section 19;
Lots 1, 2, E/2 NW/4 Section 30
326.56 acres
- (3) Quinn #338
NSPU Description: Lots 1 - 4, E/2 W/2 Section 18;
Lots 3, 4, E/2 SW/4 Section 7
330.16 acres

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

2. As a result of governmental surveys, the western side of T32N, R9W and the northern side of T32N, R10W and T31N, R8W, 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 unit, 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 "A".

4. Attached as Exhibit "A" is a plat showing all of the acreage dedicated to the subject wells and the surrounding acreage.

5. 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.

6. 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.

Respectfully submitted:

KELLAHIN, KELLAHIN & AUBREY

By: 

W. Thomas Kellahin
Post Office Box 2265
Santa Fe, New Mexico 87504

(505) 982-4285

MERIDIAN OIL INC
Non-Standard Spacing Application
Township 31 North, Range 8 West
San Juan County, New Mexico

R 9 W

R 8 W

T 32 N

T 31 N

OFFSET OPERATORS

- 1) Meridian Oil Inc
- 2) ARCO Oil & Gas Co.
PO Box 1610
Midland, TX 79702
- 3) Koch Exploration Co.
PO Box 2256
Wichita, KS 67201
- 4) Amoco Production Co.
PO Box 800
Denver, CO 80201
- 5) Northwest Pipeline Corp.
Attn: Darrell Gillen
PO Box 58900
Salt Lake City, UT 84158-0900

Jacquez #331
Lots 3-7, SE/4 NW/4, E/2 SW/4
Section 6; Lots 1, 2, E/2 NW/4
Section 7 332.94 acres

Quinn #341
Lots 1-4, E/2 W/2 Section 19;
Lots 1, 2, E/2 NW/4 Section 30
326.56 acres

Quinn #338
Lots 1-4, E/2 W/2 Section 18;
Lots 3, 4, E/2 SW/4 Section 7
330.16 acres

Exhibit A

