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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 10149

APPLICATION OF MERIDIAN OIL INC. ON BEHALF OF SOUTHLAND ROYALTY COMPANY FOR DUAL COMPLETION AND AN UNORTHODOX COAL GAS WELL LOCATION, SAN JUAN COUNTY, NEW MEXICO.

RECEIVED

OIL CONSERVATION DIVISION

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by William F. Carr, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Meridian Oil Inc._____

ATTORNEY

W. Thomas Kellahin, Esq.____ 117 N. Guadalupe Street_____ Santa Fe, New Mexico 87501 (505) 982-4285_____

name, address, phone and contact person

OPPOSITION OR OTHER PARTY

Amoco Production Company
c/o Eric Nitcher
Post Office Box 800
Denver, Colorado 80201

(303) 830-4160 name, address, phone and contact person

ATTORNEY

William F. Carr_____ Campbell & Black, P.A. Post Office Box 2208_____ Santa Fe, New Mexico 87504____

(505) 988-4421_____

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STATEMENT OF CASE

APPLICANT

OPPOSITION OR OTHER PARTY

Amoco opposes the proposed off pattern developed because a well at this location could (1) result in portions of the reservoir not being drained thereby causing the waste of gas and (2) permit Meridian to gain an advantage on and drain gas from offsetting Amoco tracts thereby its correlative rights.

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PROPOSED EVIDENCE

APPLICANT

WITNESSES EST. TIME EXHIBITS (Name and expertise)

OPPOSITION

WITNESSES (Name and expertise)

Mike Cuba, Landman

Rick Ross or Bill Hawkins, Petroleum Engineers EST. TIME

EXHIBITS

10 Min.

10 Min.

Approximately 2

Approximately 2

PROCEDURAL MATTERS

None

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