

MERIDIAN OIL, INC.
CASE 9680
MAY 24, 1989

BEFORE EXAMINER CATANACH	
OIL CONSERVATION DIVISION	
_____ EXHIBIT NO.	<u>1-6</u>
CASE NO:	<u>9680</u>

KELLAHIN, KELLAHIN and AUBREY
Attorneys at Law

W. Thomas Kellahin
Karen Aubrey

El Patio - 117 North Guadalupe
Post Office Box 2265

Telephone 982-4285
Area Code 505

Jason Kellahin
Of Counsel

Santa Fe, New Mexico 87504-2265

May 1, 1989



HAND DELIVERED

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

Re: Application of Meridian Oil, Inc.
for Approval of a Unorthodox Well
Location for its San Juan 30-6
Unit Well 406-R, Basin Fruitland
Coal Gas Pool, Rio Arriba County,
New Mexico

RECEIVED
MAY 2 1989
OIL CONSERVATION DIVISION

Dear Mr. LeMay:

On behalf of Meridian Oil Inc., please find enclosed a copy of our application for approval of an unorthodox well location for the referenced well.

We would appreciate you setting this matter for an examiner hearing now scheduled for May 24, 1989.

Very truly yours,

A handwritten signature in dark ink, appearing to read "W. Thomas Kellahin".

W. Thomas Kellahin

WTK/rs

Encl.

cc: Alan Alexander (Meridian-Farmington)
John Caldwell (Meridian-Farmington)
Certified mailing return-receipt parties listed on Exhibit C of Application.

CASE 9680

EXHIBIT 1

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF
MERIDIAN OIL, INC. FOR APPROVAL OF
AN UNORTHODOX WELL LOCATION, BASIN
FRUITLAND COAL GAS POOL,
RIO ARriba COUNTY, NEW MEXICO

RECEIVED
MAY 2 1989
OIL CONSERVATION DIVISION

Case No.

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 an unorthodox Basin Fruitland Coal Gas Well location 2560 feet FNL and 2610 feet FWL of Section 15, T30N, R7W, Rio Arriba County, New Mexico for its San Juan 30-6 Unit Well No. 406-R and in support would show:

1. Applicant is a working interest owner and operator for the San Juan 30-6 Unit which includes, among other acreage, all of Section 15, T30N, R9W, NMPM for the development of coal gas production from the Basin Fruitland Coal Gas Pool.

2. The E/2 of Section 15 has been developed for coal gas production by Unit well No. 465.

3. The W/2 of Section 15 has been developed by Unit Well 402 located in the SW/4 NE/4 SW/4 (Unit K) and by Unit Well 406 located in Unit F.

4. Attached as Exhibit A is a plat showing the described acreage and Exhibit B shows the subject well location.

5. Applicant desires to convert both the Unit 406 Well and the Unit 402 Well to observation wells and to replace them with the subject Unit 406-R Well.

6. Because of a combination of topography and geology the optimum location for the replacement well in the NW/4 of said Section 15 will be an unorthodox well location 2560 feet FNL and 2610 feet FWL of said Section 15.

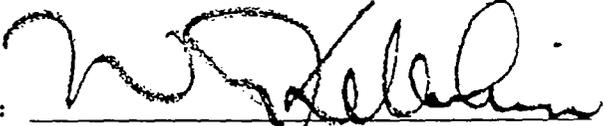
7. The unorthodox well location will not impair the correlative rights of any party because it is crowding an interior spacing unit line within the 30-6 unit.

8. In addition, Meridian will not gain any advantage over any other operator in the area because only one of the three wells in the W/2 of Section 15 will be a production well. Attached as Exhibit C is a list of the offsetting interest owners who are to receive notification of this application.

9. Pursuant to Division notice rules, a copy of this application was mailed by certified mail return-receipt to each of the parties listed on Exhibit C.

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

Kellahin, Kellahin & Aubrey

By: 

W. Thomas Kellahin
Post Office Box 2265
Santa Fe, New Mexico 87504
(505) 982-4285

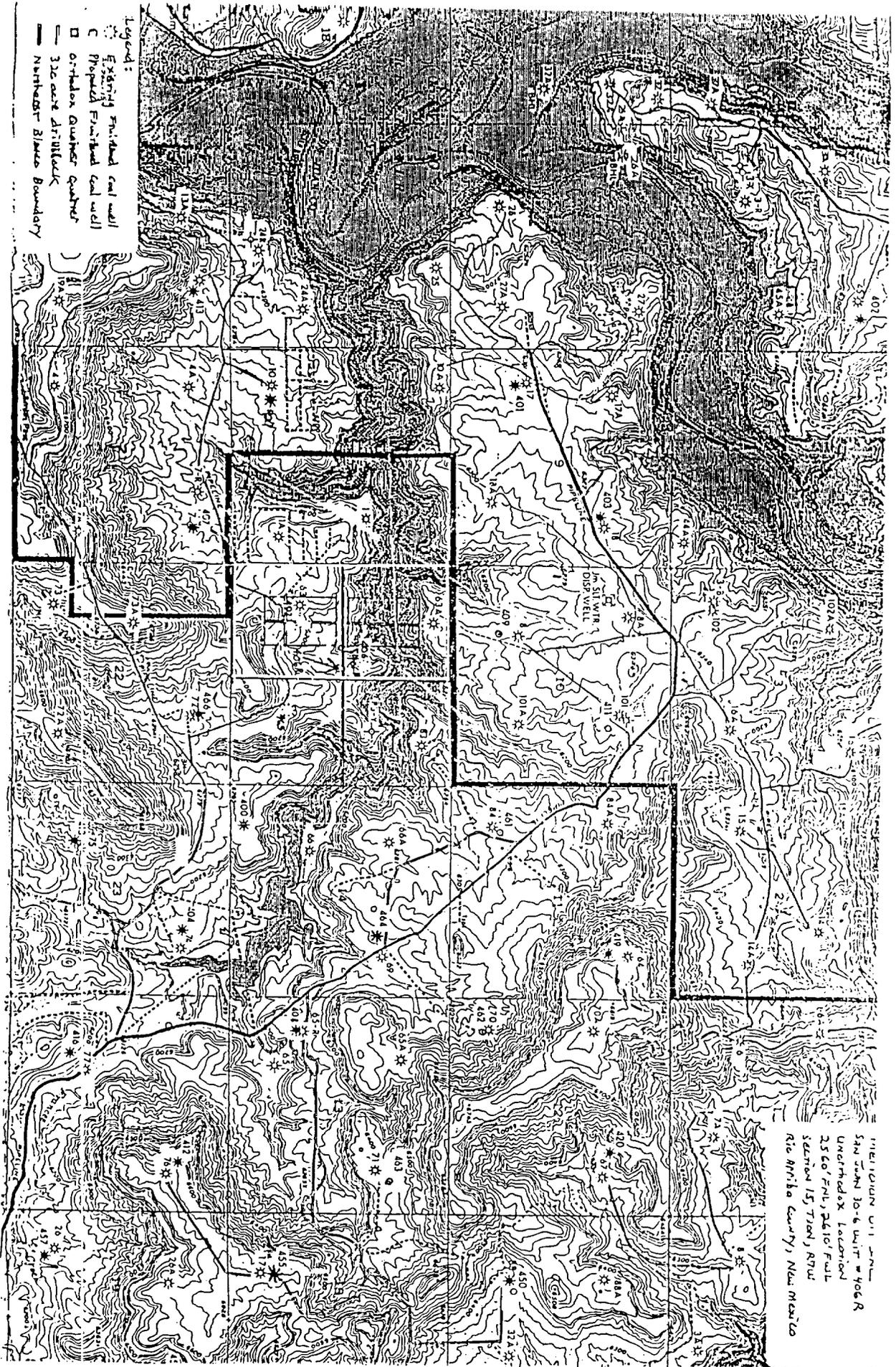


Exhibit A

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-

All distances must be from the outer boundaries of the Section.

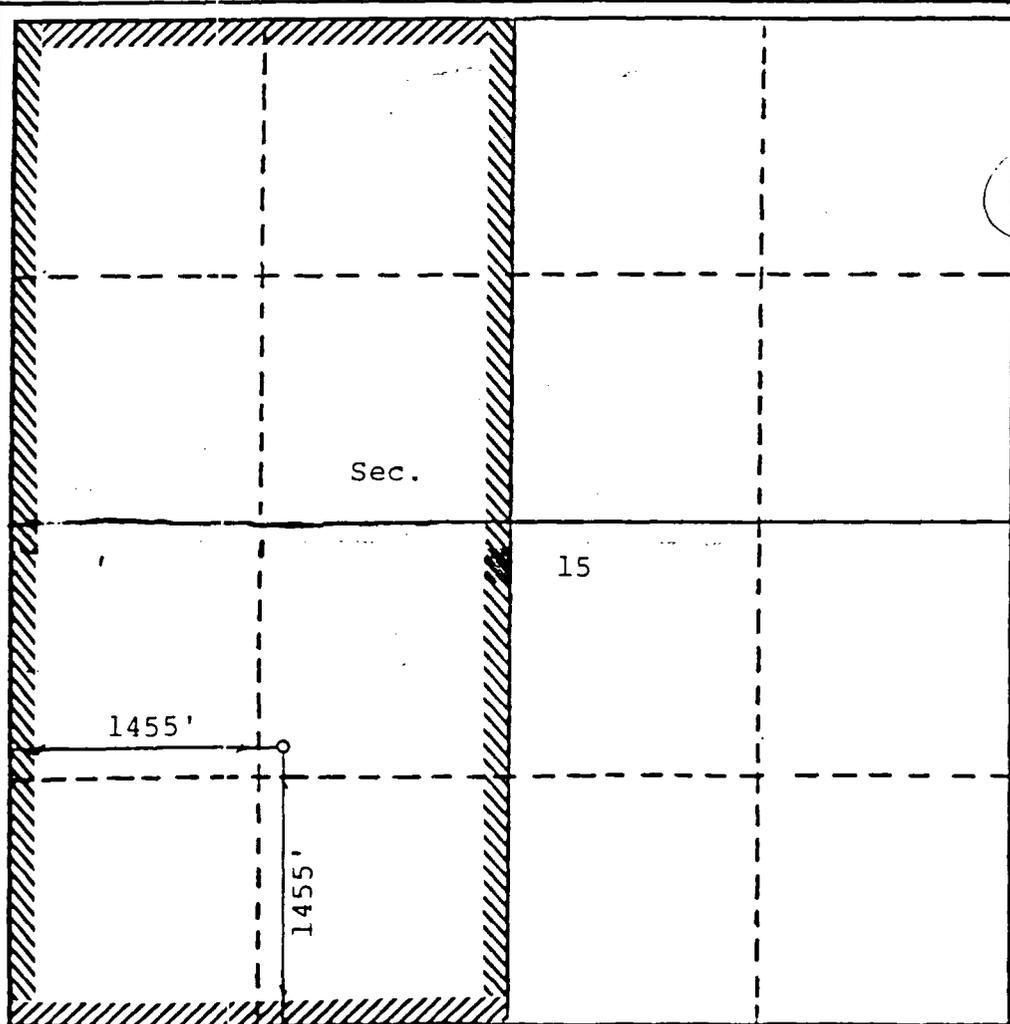
Operator El Paso Natural Gas Company		Lease San Juan 30-6 Unit (NM 012710)		Well No. 402
Unit Letter K	Section 15	Township 30N	Range 7W	County Rio Arriba
Actual Footage Location of Well: 1455 feet from the South line and 1455 feet from the West line				
Ground Level Elev. 6250	Producing Formation Fruitland Coal	Pool Basin	Dedicated Acreage: 320 Acr.	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation Unitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

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

[Signature]

Name
Drilling Clerk

Position
El Paso Natural Gas

Company

Date
12-22-85

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.

January 20, 1986

Date Surveyed
David O. Vilven

Registered Professional Engineer
and/or Land Surveyor

[Signature]

Certificate No.
1760



OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10

All distances must be from the outer boundaries of the Section.

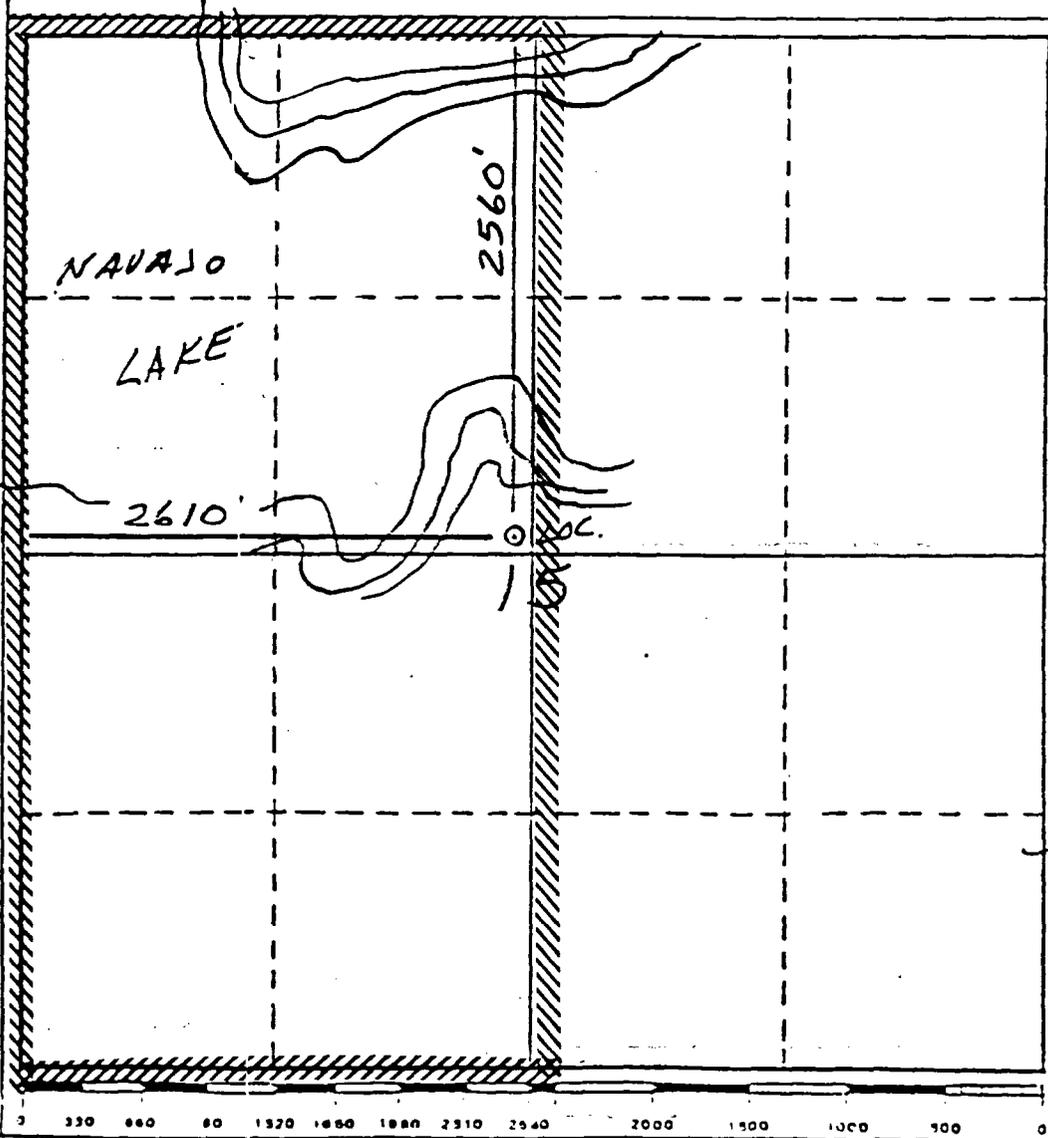
Operator El Paso Natural Gas		Lease San Juan 30-6 Unit			Well No. 406 R
Unit Letter F	Section 15	Township 30 North	Range 7 West	County Rio Arriba	
Actual Footage Location of Well 2560 feet from the North line and 2610 feet from the West line					
Ground Level Elev. 6195	Producing Formation		Pool	Dedicated Acreage:	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to work interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

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

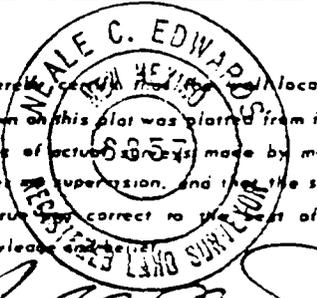
Name _____

Position _____

Company _____

Date _____

I hereby certify that the location shown on this plat was plotted from notes of actual surveys made by me under my supervision, and that the scale is true and correct to the best of my knowledge and belief.



Date Surveyed
9-22-83

Registered Professional Engineer
and/or Land Surveyor

Neale C. Edwards

Certificate No.
6357

All distances must be from the outer boundaries of the Section.

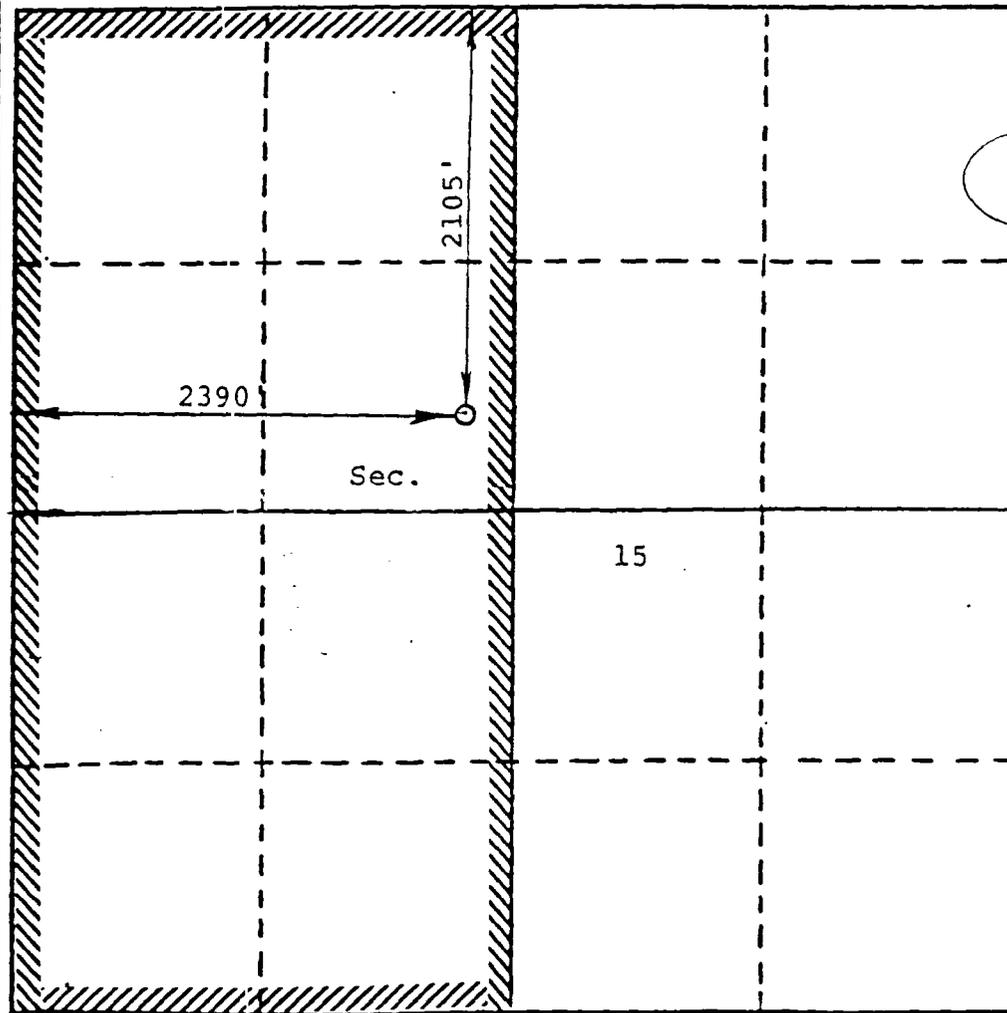
Operator El Paso Natural Gas Company			Lease San Juan 30-6 Unit (NM 012710)		Well No. 406
Unit Letter F	Section 15	Township 30N	Range 7W	County Rio Arriba	
Actual Footage Location of Wells 2105 feet from the North line and 2390 feet from the West line					
Ground Level Elev. 6244	Producing Formation Fruitland Coal		Pool Basin		Dedicated Acreage: 320 Acr

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation Unitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

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

David M. Kelsey
Name

Drilling Clerk
Position

El Paso Natural Gas
Company

12-22-86
Date

Date

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.

April 3, 1986

David M. Kelsey
Date Surveyed

Registered Professional Engineer
and/or Land Surveyor

David M. Kelsey
Certificate No.

5855

SAN JUAN 30-6 UNIT #406 R

Blackwood & Nichols Co., LTD
1310 1st Natl. Center West
Oklahoma City, OK 73102

W. P. Carr, Individually & as Trustee
6700 Fcrest Lane
Dallas, Texas 75230

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

Amoco Production Company
Attention: District Manager
2325 East 30th Street
Farmington, New Mexico 87401

Cross Timbers Partners
c/o Cross Timbers Production Company
810 Houston Street, Suite 200
Fort Worth, TX 76102

Mr. Morris Mizel
c/o Mizel Resources
6560 East 41st Street
Tulsa, Oklahoma 74145

T. H. McElvain, Jr.
& T. H. McElvain Oil & Gas Properties
Post Office Box 2148
Santa Fe, New Mexico 87501