

## MERRION OIL &amp; GAS CORPORATION

610 REILLY AVE. • P. O. Box 840  
FARMINGTON, NEW MEXICO 87499OIL CONSERVATION DIVISION  
RECEIVED

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April 18, 1994

State of New Mexico  
Energy, Minerals and Natural  
Resources Department  
New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501-2088

Fax 827-5741  
Attn: Mike Stogner

Attn: William J. Lemay, Director

Re: Application of Merrion Oil & Gas Corporation for  
Approval of an Unorthodox Coal Gas Well Location  
Gerber No. 2 Well  
Rio Arriba County, New Mexico

Gentlemen:

Merrion Oil & Gas Corporation proposes to drill its Gerber No. 2 Well at a location 790' from the North line and 790' from the West line of Section 32, Township 30 North, Range 7 West, N.M.P.M., Rio Arriba County, New Mexico.

Consequently, please consider this letter the formal application of Merrion Oil & Gas Corporation for an exception to the requirements of Rule (7) of the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool, as promulgated by Division Order No. R-8768, as amended, to permit the drilling of the well at an unorthodox coal gas well location.

In support of this application, Merrion Oil & Gas Corporation will, at the time of the hearing on the application, show that geological factors dictate the drilling of the well at an unorthodox coal gas well location.

All operators or owners of undrilled tracts offsetting the proposed location will be notified of this application by certified mail, and proof of such notice will be provided for the record at the time of the hearing.

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William J. Lemay, Director  
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Please place this application on the May 12, 1994 Examiner Hearing Docket.  
Please advise should you require any additional information.

Sincerely,

MERRION OIL & GAS CORPORATION

A handwritten signature in cursive script, appearing to read "G. Sharpe".

George F. Sharpe  
Manager - Oil & Gas Investments

cc: Supervisor, District III Office  
New Mexico Oil Conservation Division  
1000 Rio Brazos Road  
Aztec, New Mexico 87410  
Bureau of Land Mangement - Farmington  
Frank Chavez - NMOCD - Aztec  
Tommy Roberts  
Ken DuBroff  
Cinco General Partnership  
Meridian Oil  
Well File