

MERRION OIL & GAS CORPORATION

610 REILLY AVE. • P. O. BOX 840  
FARMINGTON, NEW MEXICO 87499

NEW MEXICO CONSERVATION DIVISION  
REC'D PHE 505-327-9801

'93 DEC 17 8 53 AM

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

December 9, 1993

Mr. William LeMay  
Director  
New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, N. M. 87503

*Already covered in  
Case 10888 to be  
heard 12/16/93*

**RE: APPROVAL FOR A NON-STANDARD DAKOTA PRORATION  
UNIT...SHELBY FEDERAL No. 1 AND 1E WELLS**

Dear Mr. LeMay:

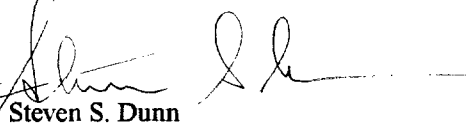
Merrion Oil & Gas Corporation hereby applies for approval of a non-standard Dakota proration unit consisting of the N/2, Section 24, T27N, R7W, Rio Arriba, New Mexico, 352.07 acres more or less to be dedicated to the Shelby Federal No. 1 and 1E wells located thereon.

We further request that this application be placed on the Division's January 6, 1994 Hearing Docket.

This hearing is requested as a follow-up to Case #10888 to be heard December 16, 1993 wherein Merrion has requested compulsory pooling approval for the same proration unit, and is necessary to provide adequate constructive notification to all offset operators.

Enclosed are two additional copies of this letter application.

Sincerely,



Steven S. Dunn  
Operations Manager

SSD/ejg

xc: Mr. Frank Chavez, NMOCD, Aztec, NM 87410  
Mr. Tommy Roberts, Box 1020, Farmington, NM 87499  
Crystal Williams-Land Department  
File

# MERRION

OIL & GAS

RECEIVED  
OIL & GAS  
NOV 24 1993

November 23, 1993

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

FAXED & MAILED

Case 10888

RE: Application for Compulsory Pooling  
Merrion Oil & Gas Corporation  
N/2 of Section 24, T27N, R7W, N.M.P.M.  
Rio Arriba County, New Mexico

Gentlemen:

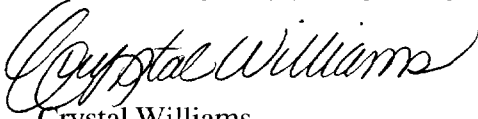
Please consider this letter the formal application of Merrion Oil & Gas Corporation for an order of the New Mexico Oil Conservation Division force-pooling all mineral interests from the surface of the earth to the base of the Dakota formation underlying the N/2 of Section 24, Township 27 North, Range 7 West, N.M.P.M., Rio Arriba County, New Mexico, forming a 352.07 acre gas spacing and proration unit for the Basin Dakota Gas Pool to be dedicated to the Shelby Federal No. 1E Well to be drilled in the Dakota formation at a standard gas well location 880 feet from the north line and 2030 feet from the west line of said Section 24. Merrion Oil & Gas Corporation requests that such order designate Merrion Oil & Gas Corporation as the operator of the proposed drilling operation, and that it provide for the recovery by the joining working interest owners of the costs of drilling, completing, equipping and operating the well, together with a reasonable charge for risk involved in drilling the well. In addition, Merrion Oil & Gas Corporation requests that the order establish a reasonable charge for the supervision of the well during the drilling and production stages.

Please place this application on the December 16, 1993 docket of the New Mexico Oil Conservation Division.

Enclosed are two additional copies of this letter application. Please advise should you require any additional information.

Yours Truly,

MERRION OIL & GAS CORPORATION

  
Crystal Williams  
Landman

xc: New Mexico Oil Conservation Division  
District III Office  
1000 Rio Brazos Road  
Aztec, NM 87410  
Attn: Mr. Frank Chavez, Supervisor

**MERRION**

OIL &amp; GAS

November 23, 1993

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

FAXED &amp; MAILED

RE: Application for Compulsory Pooling  
Merrion Oil & Gas Corporation  
N/2 of Section 24, T27N, R7W, N.M.P.M.  
Rio Arriba County, New Mexico

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Y Truly,

MERRION OIL &amp; GAS CORPORATION

*Crystal Williams*  
Crystal Williams  
Landman

xc: New Mexico Oil Conservation Division  
District III Office  
1000 Rio Brazos Road  
Aztec, NM 87410  
Attn: Mr. Frank Chavez, Supervisor

*For Basin Dakota only  
for my telephone  
conversation  
w/ Mr. Williams  
8:30AM  
11/24/93*

④ 45.69	③ 44.87 <i>pond</i>	② 44.06	① 43.24
⑤ 44.78	⑥ 43.96	⑦ 43.14	⑧ 42.35
⑫ 43.86	⑪ 43.05	⑩ 42.23	⑨ 41.41
⑬ 42.95	⑭ 42.13	⑮ 41.31	⑯ 40.50

SECTION 24

TOWNSHIP 27 North

RANGE 7 East