STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

March 8, 1994

Tansey, Rosebrough, Gerding & Strother
Attornys at Law
P. O. Box 1020
Farmington, New Mexico 87499

RE: CASE NO. 10888

CASE NO. 10000

Order No. R-10060-A

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

Sally E. Martinez

Administrative Secretary

FD/sl

cc:

BLM - Farmington

OCD Aztec Office

STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

February 10, 1994

Tansey, Rosebrough, Gerding & Strother
Attornys at Law
P. O. Box 1020
Farmington, New Mexico 87499

RE:

CASE NO. 10888

Order No. R-10060

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

Sally E Leichtle

Administrative Secretary

FD/sl

cc:

BLM - Farmington

OCD - Aztec

Steve Keene - TRD

TANSEY, ROSEBROUGH, GERDING & STROTHER, P.C.

621 WEST ARRINGTON
FARMINGTON, NEW MEXICO 87401
TELEPHONE: (505) 325-1801

OF COUNSEL Charles M. Tansey

Douglas A. Echols Richard L. Gerding Michael T. O'Loughlin James B. Payne Tommy Roberts Haskell D. Rosebrough Robin D. Strother

Karen L. Townsend

TELECOPIER: (505) 325-4675

Mailing Address: P. O. Box 1020 Farmington, N.M. 87499

January 27, 1994

Bob Stovall New Mexico Oil Conservation Division P.O. Box 2088 Santa Fe, New Mexico 87501-2088

Re: Application of Merrion Oil & Gas Corporation

for Compulsory Pooling and Non-Standard Proration Unit

Rio Arriba County, New Mexico

Case No. 10888

Dear Bob:

Enclosed please find an Affidavit by Crystal Williams, landman employed by Merrion Oil & Gas Corporation.

I request that the Affidavit be made a part of the record in Case No. 10888 -- Application of Merrion Oil & Gas Corporation for Compulsory Pooling, Rio Arriba County, New Mexico.

The filing of this Affidavit should complete the record in Case No. 10888 and I believe the case is now in a position to be taken under advisement by the Examiner. Procedurally, I anticipate that you may want to call this case on the February 3, 1994 Examiner Hearing Docket, note the supplementation of the record with the Affidavit, and state that the case will be taken under advisement. Unless I hear differently from you, I will assume that the procedure will be as stated and neither I nor a representative of Merrion Oil & Gas Corporation will attend the February 3rd hearing.

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49 * 1119 10:SMAR - 1198XCC He Bob Stovall New Mexico Oil Conservation Division January 27, 1994 Page Two

Do not hesitate to contact me should you have any questions regarding this matter.

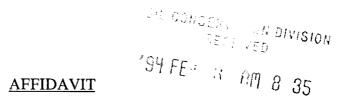
Sincerely,

Johnny Roberts

TR:nk Enclosure

cc: Merrion Oil & Gas Corporation

Attn: Crystal Williams



STATE OF NEW MEXICO) ss COUNTY OF SAN JUAN)

CRYSTAL WILLIAMS, being first duly sworn, states that:

- 1. I am employed as a landman by Merrion Oil & Gas Corporation, Farmington, New Mexico, and at all times material to the events which are the subject of this Affidavit I was so employed.
- 2. My employment responsibilities include the identification of, and negotiation with, owners of oil and gas leasehold operating rights interests who may be entitled to participate in the operations conducted by Merrion Oil & Gas Corporation.
- 3. On December 16, 1993, I gave sworn testimony as an expert petroleum landman at a New Mexico Oil Conservation Division Examiner Hearing on Case No. 10888 -- the application of Merrion Oil & Gas Corporation for an order pooling all minerals interests in the Basin-Dakota Gas Pool underlying the N/2 equivalent of Section 24, Township 27 North, Range 7 West, N.M.P.M., Rio Arriba County, New Mexico to be dedicated to its Shelby Federal No. 1E Well -- a proposed Dakota infill well.
- 4. During my testimony, I identified the owners of oil and gas leasehold operating rights interests who had not voluntarily committed their interests to the drilling of the proposed infill well -- Harriett Buchenau and Doris Henderson.
- 5. I testified regarding my communications with Harriett Buchenau and regarding her refusal to voluntarily commit her interest to the operation proposed by Merrion Oil & Gas Corporation.
- 6. By certified letter-return receipt requested dated and mailed on November 24, 1993, I advised Harriett Buchenau that the application of Merrion Oil & Gas Corporation had been set for hearing on December 16, 1993 and that she had the right to appear at the hearing to present testimony and evidence in support of, or in opposition to, the application.
- 7. I further testified that all correspondence addressed to Doris Henderson at her last known address had been returned as undeliverable and, consequently, that my attempts to locate her had been unsuccessful.

- 8. Subsequent to December 16, 1993, I renewed my efforts to locate Doris Henderson and as a result of those efforts I discovered that she had died on July 24, 1992.
- 9. As a result of further investigation and inquiry, I was provided evidence that the interest in the lands which are the subject of this Affidavit formerly owned by Doris Henderson was conveyed out of her estate to her daughters, Mitzi Easley, Betsy Bryant, and Susan Ritter, in equal undivided shares.
- 10. Upon receipt of evidence of their respective ownership interests in the lands which are the subject of this Affidavit, I initiated negotiations with Mitzi Easley, Betsy Bryant, and Susan Ritter regarding their participation in the operation proposed to be conducted by Merrion Oil & Gas Corporation, which negotiations resulted in an agreement with Mitzi Easley and Susan Ritter for their participation in the proposed operation and an agreement with Betsy Bryant for the purchase of her interest by Merrion Oil & Gas Corporation.
- 11. As of the date of this Affidavit, all oil and gas leasehold operating rights interests in and under the lands which are the subject of this Affidavit, except that interest owned by Harriett Buchenau, have been voluntarily committed to the operation proposed by Merrion Oil & Gas Corporation.
- 12. I hereby reaffirm my testimony regarding my communications with Harriett Buchenau and the current status of our negotiations regarding the participation of her interest in the operation proposed by Merrion Oil & Gas Corporation, and hereby specifically state that, to the best of my knowledge and belief, Harriett Buchenau has received all notifications to which she is entitled pursuant to Rule 1207 of the Rules and Regulations of the Oil Conservation Division of the State of New Mexico.

Further affiant sayeth not.

The foregoing was acknowledged before me this 3/3± day of January, 1994 by Crystal Williams.

My Commission Expires:

NOTARY PUBLIC

TANSEY, ROSEBROUGH, GERDING & STROTHER, P.C.

621 WEST ARRINGTON

FARMINGTON, NEW MEXICO 87401 TELEPHONE: (505) 325-1801

TELECOPIER: (505) 325-4675

DOUGLAS A. ECHOLS RICHARD L. GERDING CONNIE R. MARTIN

CHARLES M. TANSEY

OF COUNSEL

MICHAEL T. O'LOUGHLIN JAMES B. PAYNE TOMMY ROBERTS HASKELL D. ROSEBROUGH

ROBIN D. STROTHER

KAREN L. TOWNSEND

FACSIMILE TRANSMISSION COVER SHEET

MAILING ADDRESS: P.O. BOX 1020 FARMINGTON, N.M. 87499

DATE: FEBRUARY 1 FAX NO.: 505-827-5741

TO: BOB STOVALL

FIRM: OIL CONSERVATION DIVISION

FROM: Tommy Roberts, Esq.

NMOCD Case No. 10888 -- Letter and Affidavit RE:

CL/MTR: MERO-55

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RETURN FAX NUMBER: (505) 325-4675

THE INFORMATION CONTAINED IN THIS FACSIMILE MESSAGE IS ATTORNEY-PRIVILEGED AND CONFIDENTIAL INFORMATION, INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY NAMED ABOVE. IF THE READER OF THIS MESSAGE IS NOT THE INTENDED RECIPIENT, OR THE EMPLOYEE/AGENT RESPONSIBLE FOR DELIVERY TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION OR COPYING OF THIS COMMUNICATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE IMMEDIATELY NOTIFY US BY TELEPHONE, AND RETURN THE ORIGINAL MESSAGE TO US AT THE ADDRESS SHOWN ABOVE, VIA THE U.S. POSTAL SERVICE.

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TANSEY, ROSEBROUGH, GERDING & STROTHER, P.C.

621 WEST ARRINGTON
FARMINGTON, NEW MEXICO 87401
TELEPHONE: (505) 325-1801

OF COUNSEL
Charles M. Tansey

Douglas A. Echols Richard L. Gerding Michael T. O'Loughlin James B. Payne Tommy Roberts Haskell D. Rosebrough Robin D. Strother Karen L. Townsend TELECOPIER: (505) 325-4675

Mailing Address: P. O. Box 1020 Farmington, N.M. 87499

January 27, 1994

Bob Stovall New Mexico Oil Conservation Division P.O. Box 2088 Santa Fe, New Mexico 87501-2088

Re:

Application of Merrion Oil & Gas Corporation for Compulsory Pooling and Non-Standard Proration Unit Rio Arriba County, New Mexico Case No. 10888

Dear Bob:

Enclosed please find an Affidavit by Crystal Williams, landman employed by Merrion Oil & Gas Corporation.

I request that the Affidavit be made a part of the record in Case No. 10888 — Application of Merrion Oil & Gas Corporation for Compulsory Pooling, Rio Arriba County, New Mexico.

The filing of this Affidavit should complete the record in Case No. 10888 and I believe the case is now in a position to be taken under advisement by the Examiner. Procedurally, I anticipate that you may want to call this case on the February 3, 1994 Examiner Hearing Docket, note the supplementation of the record with the Affidavit, and state that the case will be taken under advisement. Unless I hear differently from you, I will assume that the procedure will be as stated and neither I nor a representative of Merrion Oil & Gas Corporation will attend the February 3rd hearing.

TANSEY, ROSEBROUGH, GERDING & STROTHER, P.C.

621 WEST ARRINGTON

FARMINGTON, NEW MEXICO 87401 TELEPHONE: (505) 325-1801

OF COUNSEL CHARLES M. TANSEY TELECOPIER: (505) 325-4675

DOUGLAS A. ECHOLS
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JAMES B. PAYNE
TOMMY ROBERTS
HASKELL D. ROSEBROUGH
ROBIN D. STROTHER

KAREN L. TOWNSEND

FACSIMILE TRANSMISSION COVER SHEET

MAILING ADDRESS: P.O. BOX 1020 FARMINGTON, N.M. 87499

DATE:	FEBRUARY 1 FAX NO.: 505-827-5741						
TO:	BOB STOVALL						
FIRM:	OIL CONSERVATION DIVISION						
FROM:	Tommy Roberts, Esq.						
RE:	NMOCD Case No. 10888 Letter and Affidavit						
CL/MTR: MERO-55							
T	OTAL NUMBER OF PAGES INCLUDING COVER SHEET:5_						
COMMENTS:							

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TANSEY, ROSEBROUGH, GERDING & STROTHER, P.C.

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FARMINGTON, NEW MEXICO 87401
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OF COUNSEL Charles M. Tansey

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TELECOPIER: (505) 325-4675

Mailing Address: P. O. Box 1020 Farmington, N.M. 87499

January 27, 1994

Bob Stovall
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501-2088

Re: Application of Merrion Oil & Gas Corporation

for Compulsory Pooling and Non-Standard Proration Unit

Rio Arriba County, New Mexico

Case No. 10888

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Bob Stovall New Mexico Oil Conservation Division January 27, 1994 Page Two

Do not hesitate to contact me should you have any questions regarding this matter.

Sincerely,

TOMMY ROBERTS

TR:nk Enclosure

cc: Merrion Oil & Gas Corporation

Attn: Crystal Williams

AFFIDAVIT

STATE OF NEW MEXICO)	
)	S
COUNTY OF SAN JUAN)	

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Further affiant sayeth not.

CRYSTAL WILLIAMS

The foregoing was acknowledged before me this 3/3+ day of January, 1994 by Crystal Williams.

My Commission Expires:

NOTARY PUBLIC

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2

TANSEY, ROSEBROUGH, GERDING & STROTHER, P.C.

REST 193

FARMINGTON, NEW MEXICO 87401

OF COUNSEL. Charles M. Tansey Sty JAN 23 MM 8 54

TELEPHONE: (505) 325-1801

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Douglas A. Echols Richard L. Gerding Michael T. O'Loughlin James B. Payne Tommy Roberts Haskell D. Rosebrough Robin D. Strother Karen L. Townsend

Mailing Address: P. O. Box 1020 Farmington, N.M. 87499

January 18, 1993

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

Attn: William J. Lemay, Director

Application of Merrion Oil & Gas Corporation Re:

for Compulsory Pooling and Non-Standard Proration Unit

Rio Arriba County, New Mexico

Case No. 10888

Dear Mr. Lemay:

letter is to request that the above-referenced case be continued to February 3, 1994 Examiner Hearing Docket.

Sincerely,

Strong Roberts

TR:nk

George Sharpe, Merrion Oil & Gas

OIL CONSERVA ON DIVISION LAW OFFICES

RECE TANSEY, ROSEBROUGH, GERDING & STROTHER, P.C.

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621 WEST ARRINGTON FARMINGTON, NEW MEXICO 87401

OF COUNSEL Charles M. Tansey TELEPHONE: (505) 325-1801

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Mailing Address:

P. O. Box 1020

Douglas A. Echols Richard L. Gerding Michael T. O'Loughlin James B. Pavne Tommy Roberts Haskell D. Rosebrough Robin D. Strother Karen L. Townsend

Farmington, N.M. 87499

December 29, 1993

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

William J. Lemay, Director

Application of Merrion Oil & Gas Corporation for Compulsory Pooling and Non-Standard Proration Unit

Rio Arriba County, New Mexico

Case No. 10888

Dear Mr. Lemay:

This letter is to request that the above-referenced case be continued to January 20, 1994 Hearing Docket.

Sincerely,

Dommy Koberts

TR:nk

George Sharpe, Merrion Oil & Gas