



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

October 12, 1995

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OIL CON. DIV.
DIST. 3

Meridian Oil, Inc.
Attention: Peggy Bradfield
P.O. Box 4289
Farmington, New Mexico 87499-4289

Administrative Order NSL-3578

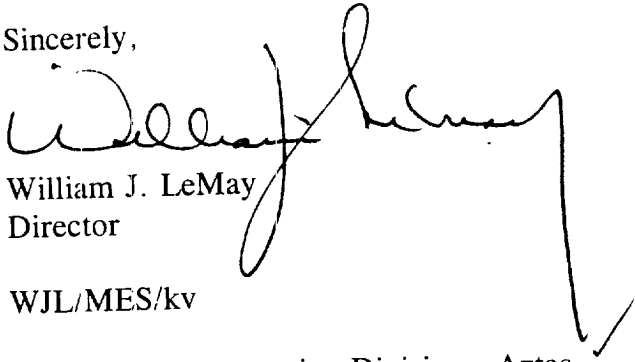
Dear Ms. Bradfield:

Reference is made to your application dated October 10, 1995 for a non-standard Basin-Fruitland coal gas well location for your existing Jicarilla 120 "C" Well No. 14 (API No. 30-039-06275) which was drilled in 1957 and completed in the South Blanco-Pictured Cliffs Pool at a standard gas well location 790 feet from the South and East lines (Unit P) of Section 30, Township 26 North, Range 4 West, NMPM, Rio Arriba County, New Mexico.

It is our understanding that the Pictured Cliffs interval will be properly plugged back and said well will be recompleted to the Basin-Fruitland Coal (Gas) Pool, which pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool, as promulgated by Division Order No. R-8768, as amended, is unorthodox. Further, the E/2 of said Section 30 shall be dedicated to the well to form a standard 320-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of said Order No. R-8768, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,


William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington