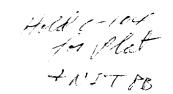


ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

December 8, 1989

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

Meridian Oil, Inc. P.O. Box 4289 Farmington, NM 87499-4289

Attention: Peggy Bradfield

Administrative Order NSL-2734

Dear Ms. Bradfield:

Reference is made to your application of November 22, 1989 for a non-standard coal gas well location for your existing Ka Souse Well No. 1 located 1550 feet from the South line and 990 feet from the East line (Unit I) of Section 25, Township 26 North, Range 9 West, NMPM, Basin Fruitland Coal (Gas) Pool, San Juan County, New Mexico which is presently completed at a standard gas well location in the Ballard Pictured Cliffs Pool. The E/2 of said Section 25 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool as promulgated by Division Order No. R-8768, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

William J. LeMay

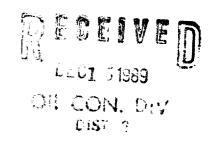
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec

New Mexico Oil & Gas Engineering Committee - Hobbs

US Bureau of Land Management - Farmington





STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

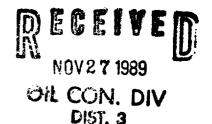
GARREY CARRUTHERS
GOVERNOR

1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (505) 334-6178

Date: 12-5-89
Oil Conservation Division P.O. Box 2088 Santa Fe, NM 87504-2088
Re: Proposed MC Proposed DHC Proposed NSL Proposed SWD Proposed WFX Proposed PMX
Gentlemen:
I have examined the application dated 11-27-89
for the Meridian Od Tre- Ka Soude #1 Operator Lease & Well No.
I- IS-ICN-TW and my recommendations are as follows:
THEROUSE
Yours truly,

MERIDIAN OIL

November 22, 1989



Mr. William LeMay
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87503

Dear Mr. LeMay:

This is a request for administrative approval for an unorthodox gas well location in the Basin Fruitland Pool.

It is intended to locate the Meridian Oil Inc.'s KaSouse #1 at 1550' from the South line and 990' from the East line of Section 25, T-26-N, R-9-W, San Juan County, New Mexico. This well was originally drilled as a Pictured Cliffs and is intended to be plugged back to the Fruitland Coal Pool.

A copy of this application is being submitted to all offset owners/operators by certified mail with a request that they furnish your Santa Fe office with a Waiver of Objection, and return one copy to this office.

A plat showing the well location in Section 25 and the offset ownership is attached.

Sincerely yours,

Staafu Cd

Peggy Bradfield

encl.

WAIVER

			hereby wa:	ives obje	ction	n to Me	eric	dian O	il 1	Enc.'s
application proposed abo		an u	northodox	location	for	their	Ka	Souse	#1	as
By:				Date: _						
xc: Anne B.	Lit	tle								

Curtis J. Little T. Keith Marks Dow Oil Corp.

MERIDIAN OIL INC

	Well Nam	e <u>Ka Souse</u> ([‡] 1			
	Footage	1550' FSL;	990' FEL			
	A	PPLICATION FOR R	NON-STANDARD LOCA	TION		
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Remarks_	1) Meridian	Oil Inc.				
_	2) Anne B. I	ittle				_
	Curtis J.					-
	T. Keith Dow Oil (-
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