



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

July 18, 1994

POST OFFICE BOX 2008 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

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Application to Amend Administrative Order NSL-2934 (Correction)

Dear Ms. Bradfield:

Reference is made to your application dated December 21, 1993 for a non-standard Basin-Fruitland coal gas well location for the existing Huerfano Unit Well No. 258 (API No. 30-045-21409) located 990 feet from the South and East lines (Lot 4/Unit P) of Section 36, Township 27 North, Range 10 West, NMPM, San Juan County, New Mexico.

Review of this application and Division records indicates that prior authorization from the Division was granted Meridian Oil, Inc. for the recompletion of this well to the Fruitland Coal interval at an unorthodox coal gas well location by Administrative Order NSL-2934, dated November 7, 1990.

The only change indicated by your December 21st application from the previous authorization is to include perforations into the Undesignated Fulcher Kutz-Pictured Cliffs Pool and to permit the downhole commingling of Pictured Cliffs and Fruitland Coal gas. As stated in your application letter, said location is considered standard for the Pictured Cliffs interval.

The previous order issued in this matter appears to adequately cover Meridian's concerns addressed in said application; therefore, said Order NSL-2934 shall remain in full force and effect until further notice.

Sincerely,

William J. LeMay

Director

MES/amg

cc: Oil Conservation Division - Aztec

US Bureau of Land Management - Farmington

File: DHC-974