

# MERIDIAN OIL

December 17, 1987

Mr. Ernie Busch  
New Mexico Oil Conservation Division  
1000 Rio Brazos Road  
Aztec, New Mexico 87410

Dear Mr. Busch:

As we discussed today, Meridian Oil Inc., as agent for El Paso Natural Gas Company, is requesting approval of the Authorization to Transport Oil and Natural Gas (C-104) for the San Juan 30-6 Unit #404 high angle Fruitland Coal well without actual shut in surface or bottom hole pressures in this wellbore. Approval is requested due to our concern about shutting in this well to obtain pressure surveys because of the high likelihood of mechanical problems which could jeopardize this wellbore.

After production has stabilized and a performance history of the well has been established, Meridian will be happy to obtain actual pressures if they are desired. As we also discussed, we are supplying you with pressure data from the nearest wells to the #404, and have utilized an average pressure from these wells for our filing. Attached is the data from these wells and a map showing their location in relation to the San Juan 30-6 Unit #404.

Your assistance is greatly appreciated, and prompt approval is requested. If you have any questions or require additional information, please let me know.

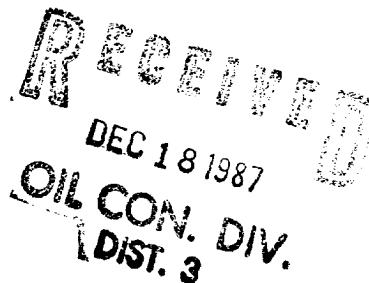
Very truly yours,



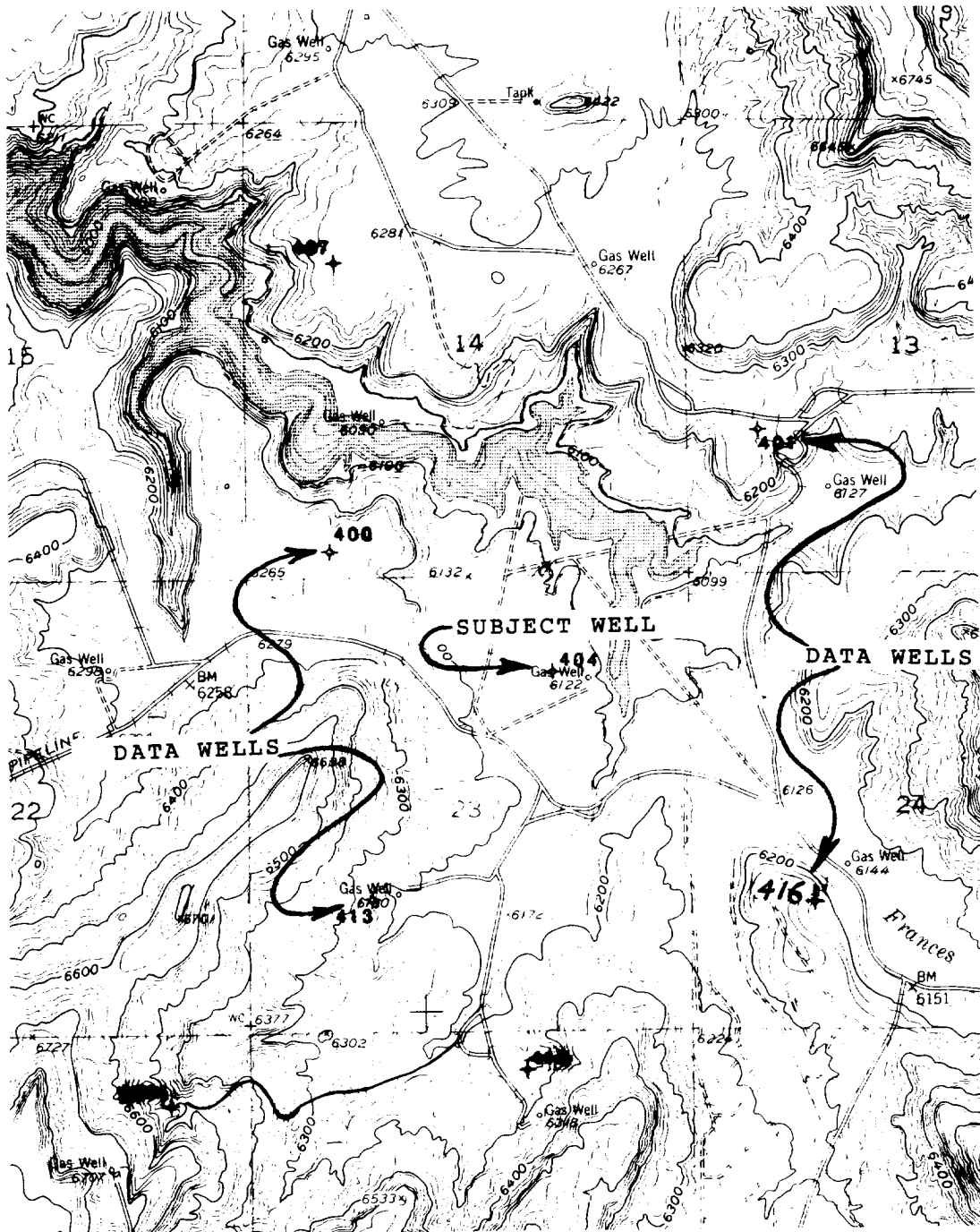
S. W. Nance  
Drilling Manager

SWN:pd

att.



<u>Well Name &amp; Number</u>	<u>PBTD</u>	<u>Top of Pay</u>	<u>SITP(psi)</u>	<u>SICP(psi)</u>	<u>BHP(psi) @ Depth</u>
San Juan 30-6 Unit #400	3164'	3041'	808	1521	1495 @ 3080'
San Juan 30-6 Unit #401	3171'	2967'	762	1332	1617 @ 3050'
San Juan 30-6 Unit #413	3090'	3016'	1344	1342	1403 @ 3050'
San Juan 30-6 Unit #416	3123'	3005'	1076	1228	1654 @ 3053'
Average			1000	1350	1565



LOCATION MAP  
 San Juan 30-6 Unit #404  
 NE/4 Sec. 23, T-30-N, R-7-W  
 Rio Arriba Co., New Mexico  
 Scale: 1" = 2000'