



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

Southland

March 27, 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

*Checked
5/2/89*

Attention: Peggy Bradfield

Administrative Order NSL-2642

Dear Ms. Bradfield:

Reference is made to your application of February 27, 1989 on behalf of Southland Royalty Company for a non-standard coal gas well location for your Reid Well No. 704 to be located 1055 feet from the North line and 475 feet from the East line (Unit A) of Section 19, Township 28 North, Range 9 West, NMPM, Basin Fruitland Coal (Gas) Pool, San Juan County, New Mexico. Lots 1 and 2, the E/2 NW/4, and the NE/4 of said Section 19 shall be dedicated to the well forming a standard 301.72-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,

WJL

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