

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS  
GOVERNOR

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SANTA FE, NEW MEXICO 87504  
(505) 827-5900

May 8, 1989

Southland Royalty Co.  
c/o Meridian Oil, Inc.  
P.O. Box 4289  
Farmington, NM 87499-4289

Attention: Peggy Bradfield

Administrative Order NSL-2652 <sup>855</sup>

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 Hanks Well No. 230 to be located 1640 feet from the South line and 135 feet from the West line (Unit L) of Section 7, Township 27 North, Range 9 West, NMPM, Basin Fruitland Coal (Gas) Pool, San Juan County, New Mexico. Lots 1, 2, 3 and 4 and the E/2 W/2 of said Section 7 shall be dedicated to the well forming a standard 323.46-acre gas spacing and proration unit.

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

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MAY 15 1989

OIL CONSERVATION DIV.  
SANTA FE

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MAY 12 1989

OIL CON. DIV.  
DIST. 3