STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS

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

October 17, 1990

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

Attention: Peggy Bradfield

Administrative Order NSL-2906

Dear Ms. Bradfield:

Reference is made to your application dated September 6, 1990 for a non-standard coal gas well location for your San Juan 30-6 Unit Well No. 498 to be located 2185 feet from the North line and 2295 feet from the East line (Unit G) of Section 30, Township 30 North, Range 7 West, NMPM, Basin Fruitland Coal (Gas) Pool, Rio Arriba County, New Mexico. The E/2 of said Section 30 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

US Bureau of Land Management - Farmington