

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



August 1, 1991

BRUCE KING
GOVERNOR

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

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

Attention: Peggy Bradfield

Administrative Order NSL-3036

Dear Ms. Bradfield:

Reference is made to your application dated July 22, 1991 for a non-standard Gallup gas well location for your existing Huefano Unit Well No. 219 which was drilled in 1971 and completed in the Basin Dakota Pool at a standard gas well location 1650 feet from the South line and 1090 feet from the East line (Unit I) of Section 29, Township 26 North, Range 10 West, NMPM San Juan County, New Mexico.

It is our understanding that the Dakota zone will be properly plugged back and said well will be recompleted to the Undesignated Gallegos-Gallup Associated Pool, which pursuant to the Special Rules and Regulations for the Undesignated Gallegos-Gallup Associated Pool as promulgated by Division Order No. R-5353, as amended, is unorthodox. Further, the S/2 of said Section 26 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

By authority granted me under the provisions of Rule 2(c) of said Division Order No. R-5353, as amended, the above-described unorthodox gas well location is hereby approved.

Sincerely,

A handwritten signature in cursive script, appearing to read "William J. Lemay".

WILLIAM J. LEMAY
Director

WJL/MES/jc

cc: Oil Conservation Division - Aztec
U.S. BLM - Farmington