



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

November 29, 1994

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

Attention: Peggy Bradfield

Administrative Order NSL-3437

Dear Ms. Bradfield:

Reference is made to your application dated October 10, 1994 for a non-standard Basin-Fruitland coal gas well location for your existing Huerfano Unit Well No. 223 (API No. 30-045-20834) which was drilled in 1972 and completed in the Basin-Dakota Pool at a standard gas well location 1850 feet from the North line and 1840 feet from the West line (Unit F) of Section 4, Township 26 North, Range 10 West, NMPM, San Juan County, New Mexico.

It is my understanding that the Basin-Dakota zone will be properly plugged back and said well will be recompleted to the Basin-Fruitland Coal Gas Pool, which pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool as promulgated by Division Order No. 8768, as amended, is unorthodox. Further, Lots 1 through 4 and the S/2 N/2 (N/2 equivalent) of said Section 4 shall be dedicated to the well forming a standard 319.96-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of said Division Order No. R-8768, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,


William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington