

MERIDIAN OIL

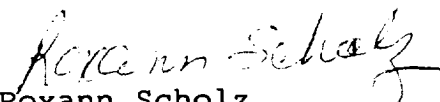
July 22, 1992

Lewis B. Burleson
P. O. Box 2479
Midland, TX 79702

**RE: OFFSET OPERATORS NOTIFICATION OF
REQUEST AND NOTICE FOR ADMINISTRATIVE
APPROVAL FOR LEGAL #3, #2, & #5
JALMAT TANSILL-YATES-SEVEN RIVERS
SE/4 SEC. 31, T25S, R37E
LEA COUNTY, NEW MEXICO**

Meridian Oil is currently requesting administrative approval from the New Mexico Oil Conservation Division (OCD) for simultaneous dedication for our Legal #3, #2, and #5 wells. The Legal #3 is located 330' FSL & 1980' FEL, Sec. 31, T25S, R37E, Lea County, New Mexico. This well ID currently completed in the Jalmat Tansill Yates Seven Rivers (Oil) pool. We plan to recomplete this well and produce from the Jalmat (prorated gas) pool. The proposed simultaneous dedication will cover the SE/4 of Sec. 31, T25S, R37E. This 160 acre proration unit is currently dedicated to Meridian's Legal #2 located 1980' FSL & 660' FEL, Sec. 31, T25S, R37E and the Legal #5 located 330' FSL & 330' FEL, Sec. 31, T25S, R37E.

Sincerely,


Roxann Scholz
Prod. Asst.

xc: Well file
Regulatory