BRUCE KING
GOVERNOR

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

December 5, 1994

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

Attention: Peggy Bradfield

Administrative Order NSL-793-A

Dear Ms. Bradfield:

Reference is made to your application dated September 14, 1994 for a non-standard Basin-Fruitland coal gas well location for your existing Jicarilla "98" Well No. 2A (API No. 30-039-21284) which was drilled in 1976 and completed in the Blanco-Mesaverde Pool at a previously approved unorthodox gas well location 1149 feet from the South line and 1391 feet from the East line (Unit O) of Section 19, Township 26 North, Range 3 West, NMPM, Rio Arriba County, New Mexico.

It is my understanding that the Mesaverde zone is to be downhole commingled with the Tapacitos-Pictured Cliffs Pool, and pursuant to Rule 2(b) of the Special Rules and Regulations for the Tapacitos-Pictured Cliffs Pool, as promulgated by Division Order No. R-8170, as amended, said location is considered to be unorthodox.

By the authority granted me under the provisions of Rule 2(c) of said Order No. R-8170, as amended, the above-described unorthodox gas well location is hereby approved. Further, the SE/4 of said Section 19 shall be dedicated to said well forming a standard 160-acre gas spacing and proration unit for the Tapacitos-Pictured Cliffs Pool.

Sincerely,

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec
       US Bureau of Land Management - Farmington
       File: DHC-983
              NSL-793

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Microsoft Mail v3.0 IPM.Microsoft Mail.Note
From: Ernie Busch
To:  Ben Stone
     David Catanach
Subject:  MERIDIAN OIL INC (DHC)
Date: 1994-02-22 11:04
Priority: R
Message ID: FE131B3D
Conversation ID: FE131B3D

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JICARILLA 98 #2A
O-19-26N-03W
RECOMMEND: APPROVAL

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DHC-98