



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



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

March 15, 1994

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SANTA FE, NEW MEXICO 87504
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Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499-4289

Attention: Peggy Bradfield

Administrative Order NSL-1123-A

Dear Ms. Bradfield:

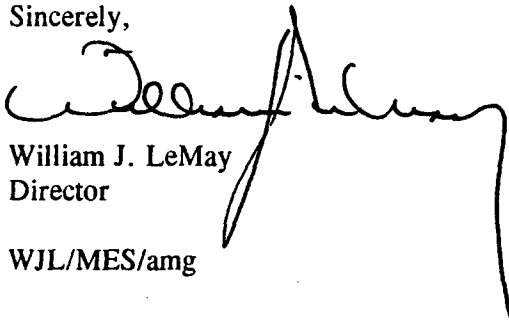
Reference is made to your application dated February 21, 1994 for a non-standard Blanco-Mesaverde gas well location for your existing Klein Well No. 28 (API No. 30-039-22261) which was drilled in 1980 and completed in the Basin-Dakota Pool at a previously approved unorthodox gas well location (Division Administrative Order NSL-1123, dated December 26, 1979) 2170 feet from the South line and 1840 feet from the West line (Unit K) of Section 33, Township 26 North, Range 6 West, NMPM, Rio Arriba County, New Mexico.

It is my understanding that the Blanco Mesaverde gas zone is to be downhole commingled with the Basin-Dakota Pool, and pursuant to the Special Rules and Regulations for the Blanco-Mesaverde Pool, as promulgated by Division Order No. R-8170, as amended, said location is also considered unorthodox.

By the authority granted me under the provisions of Rule 2(d) of said Order No. R-8170, as amended, the above-described unorthodox Blanco-Mesaverde gas well location is hereby approved. Further, the Blanco-Mesaverde interval is to be dedicated to an existing standard 320-acre gas spacing and proration unit, comprising the W/2 of said Section 33, that currently has dedicated thereon the Klein Well No. 7 located in Unit "D" of said Section 33.

All provisions of said Administrative Order NSL-1123 shall remain in full force and effect until further notice.

Sincerely,


William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
File: NSL-1123