

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

Attention: Peggy Bradfield

at a previously approved unorthodox
gas well location (Division Administrative
Order NSL-1123, dated December 26, 1979)

Rec: 2-23-94
Released: 3-15-94

Administrative Order NSL-1123-A

Dear Ms. Bradfield:

Reference is made to your application dated February 11, 1994 ^(API No. 30-039-22261) for a non-standard Basin Fruitland coal gas well location for your existing Klein Well No. 28 which was drilled in 1980 and completed in the Basin Dakota Pool ~~at a standard well location~~ 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 ~~Basin Fruitland~~ ~~Coal Gas Pool~~, and pursuant to the Special Rules and Regulations for the Blanco-Mesaverde ~~Basin Fruitland Coal Gas Pool~~, as promulgated by Division Order No. R-8768, ⁸¹⁷⁰ as amended, ~~the~~ ^{also} said location is considered to be unorthodox.

By the authority granted me under the provisions of Rule ^{2(d)} of said Order No. R-8768, 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 at said Section ~~shall be dedicated to said well forming~~ standard 320-acre gas spacing and proration unit, ~~for said pool~~ comprising the $\frac{1}{2}$ of said Section 33, ^{that} ~~and~~ currently has dedicated thereon the Klein Well No. 7 located in Unit "D" of said Section 33. ~~Also, Meridian Oil, Inc. shall comply with all other provisions of said Order No. R-8768, as amended, pertaining to the downhole commingling of coal gas production with gas produced from the~~ interval.

Sincerely,

William J. LeMay
Director

WJL/MES/ag

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

File: NSL-1123

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

3-15-94