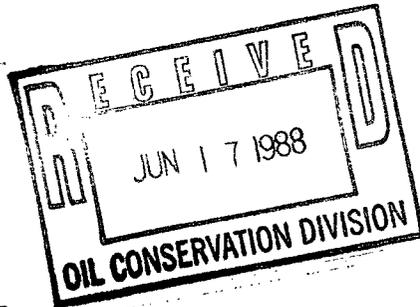


Release Date
July 6, 88

By DRC

MERIDIAN OIL



June 14, 1988

Mr. William LeMay
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

NSL-2553
RULE-104 F(2)
Wildcat Fruitland Pool
160 Acres dec.

Dear Mr. LeMay:

lots 11, 12, 13, and 14 of irregular Section 10 shall be dedicated to the above described well.

This is a request for administrative approval for an unorthodox gas well location in the Undesignated Fruitland Pool.

It is intended to locate the Southland Royalty Company Reese Mesa #102 at 1900' from the South line and 1815' from the East line of Section 10, T-32-N, R-8-W, San Juan County, New Mexico.

Extremely rough terrain in the form of steep cliffs makes it impossible to build an orthodox location in the southeast quarter of this section.

A copy of this application is being submitted to all offset operators by certified mail with a request that they furnish your Santa Fe office with a Waiver of Objection, and return one copy to this office.

Plats showing the proposed well location and the terrain in Section 10, along with an ownership plat, are attached.

Sincerely yours,

Peggy Doak

encl.

WAIVER

_____ hereby waives objection to Southland Royalty's application for an unorthodox location for their Reese Mesa #102 as proposed above.

By: _____

Date: _____

cc: Northwest Pipeline

MERIDIAN OIL

NORTHWEST PIPELINE CORPORATION

JUN 15 1988

June 14, 1988

PRODUCTION AND DRILLING

Mr. William LeMay
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Dear Mr. LeMay:

This is a request for administrative approval for an unorthodox gas well location in the Undesignated Fruitland Pool.

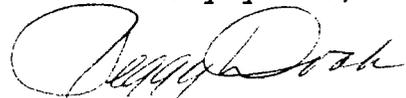
It is intended to locate the Southland Royalty Company Reese Mesa #102 at 1900' from the South line and 1815' from the East line of Section 10, T-32-N, R-8-W, San Juan County, New Mexico.

Extremely rough terrain in the form of steep cliffs makes it impossible to build an orthodox location in the southeast quarter of this section.

A copy of this application is being submitted to all offset operators by certified mail with a request that they furnish your Santa Fe office with a Waiver of Objection, and return one copy to this office.

Plats showing the proposed well location and the terrain in Section 10, along with an ownership plat, are attached.

Sincerely yours,



Peggy Doak

encl.

WAIVER

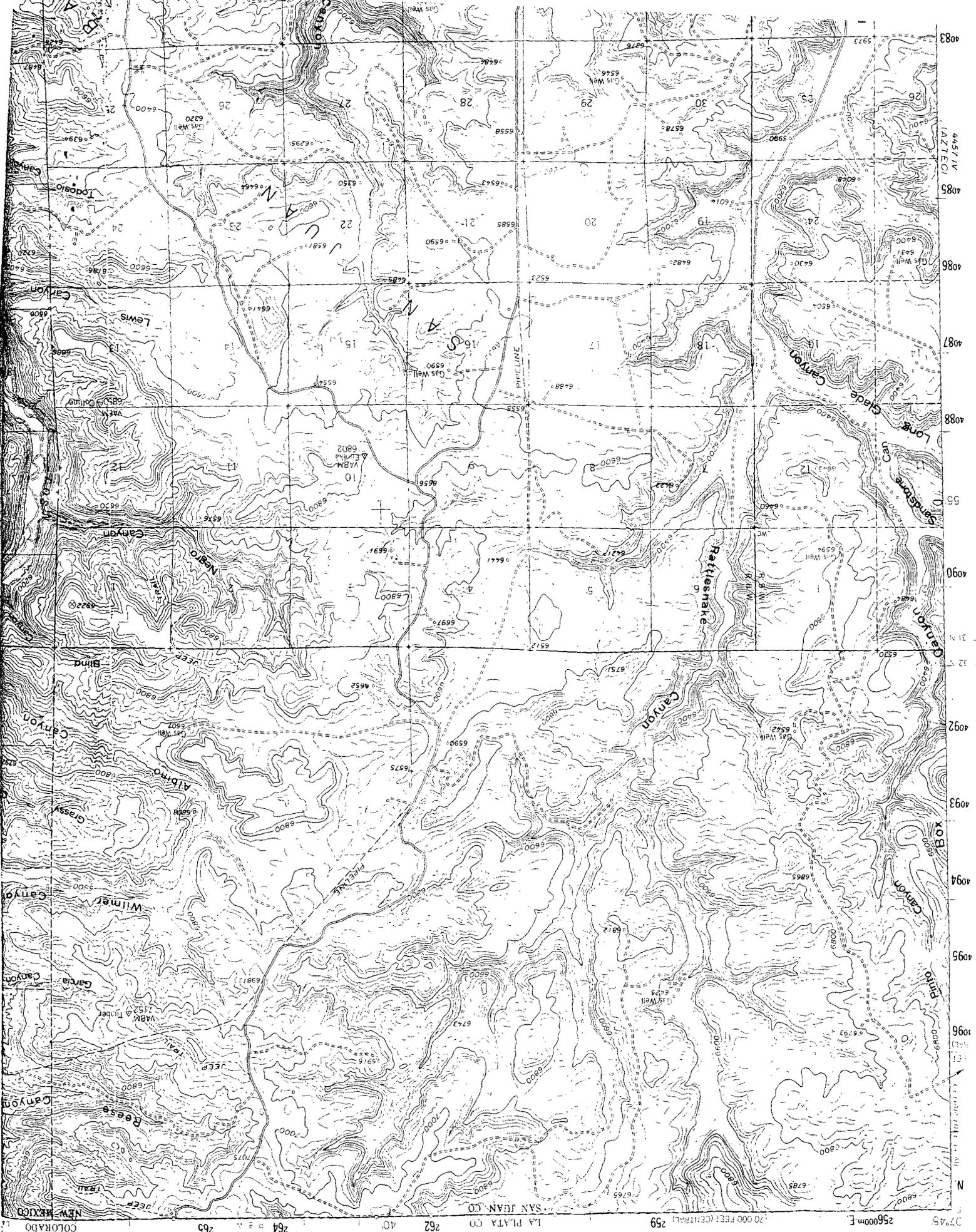
NORTHWEST PIPELINE hereby waives objection to Southland Royalty's application for an unorthodox location for their Reese Mesa #102 as proposed above.

By: Paul C. Thompson

Date: 6/15/88

cc: Northwest Pipeline

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY



256000m E 20000 FEET (CENTRAL) 259 LA PLATA CO. SAN JUAN CO. NEW MEXICO COLORADO

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-103
 Supersedes C-120
 Effective 1-4-88

All distances must be from the outer boundaries of the Section.

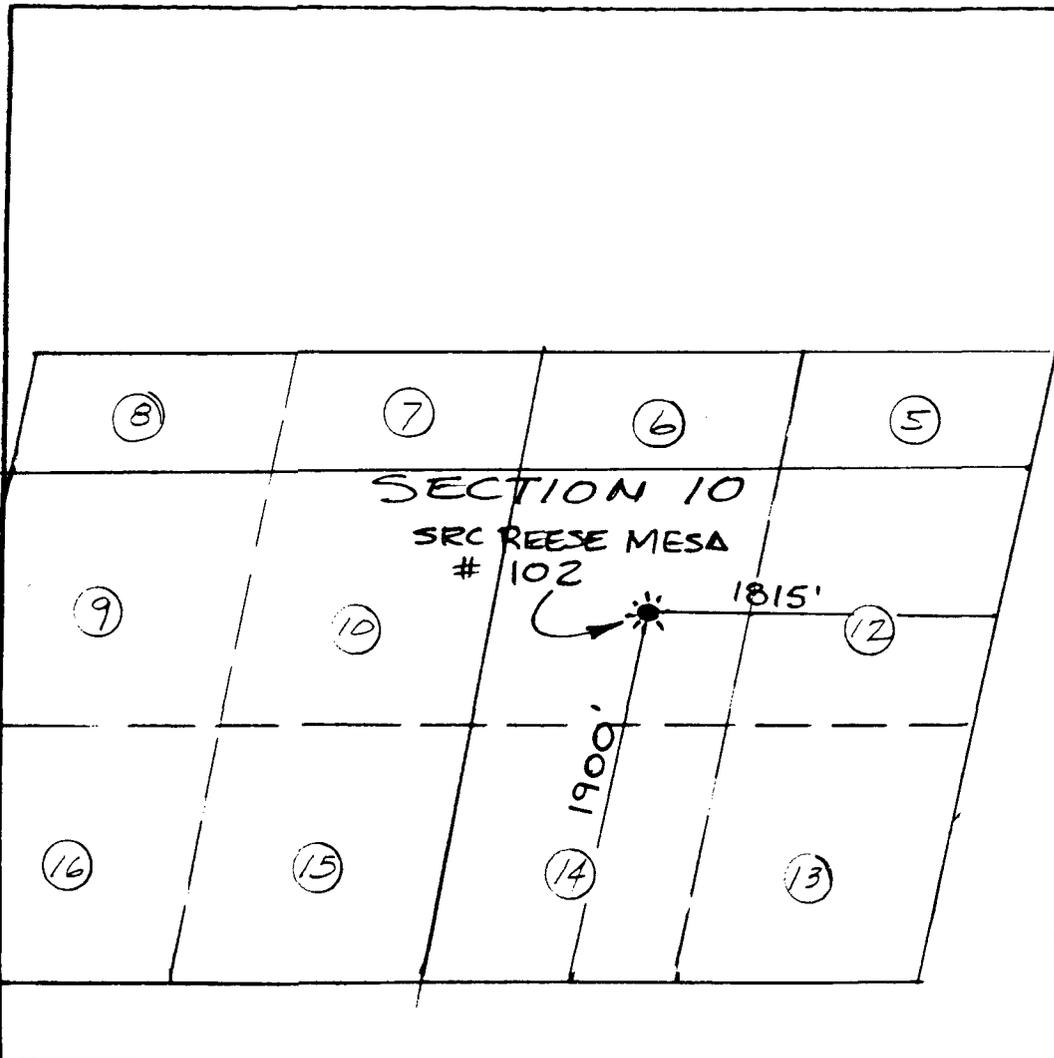
Operator SOUTHLAND ROYALTY COMPANY		Lease REESE MESA		Well No. 102
Unit Letter J	Section 10	Township 32 NORTH	Range 8 WEST	County SAN JUAN
Actual Footage Location of Well 1900 feet from the SOUTH line and 1815 feet from the EAST line				
Ground Level Elev. 7008	Producing Formation	Pool	Dedicated Acreage Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

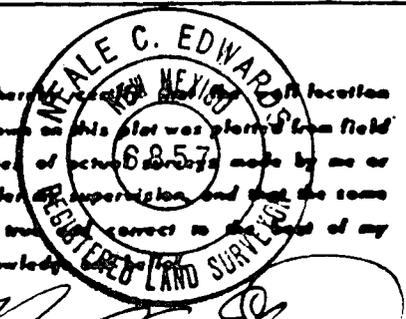
Name

Position

Company

Date

I hereby certify that the location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.



Date Surveyed

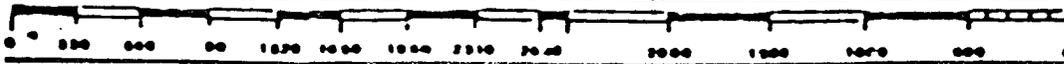
JUNE 4, 1988

Registered Professional Engineer and/or Land Surveyor

NEALE C. EDWARDS

Certificate No.

6857





STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
 OIL CONSERVATION DIVISION
 AZTEC DISTRICT OFFICE

GARREY CARRUTHERS
 GOVERNOR

1000 RIO BRAZOS ROAD
 AZTEC, NEW MEXICO 87410
 (505) 334-6178

Date: 6/30/88 RECEIVED
 JUL 5 1988
 OIL CONSERVATION DIVISION
 SANTA FE

Oil Conservation Division
 P.O. Box 2088
 Santa Fe, NM 87504-2088

Re: Proposed MC _____
 Proposed DHC _____
 Proposed NSL X _____
 Proposed SWD _____
 Proposed WFX _____
 Proposed PMX _____

Gentlemen:

I have examined the application dated 6/16/88
 for the Southland Royalty Resuman #102
 Operator Lease & Well No.

J-10-32N-8W and my recommendations are as follows:
 Unit, S-T-R

Approve

Yours truly,

[Signature]