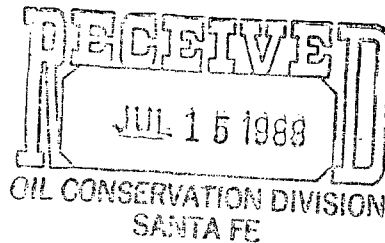


MERIDIAN OIL



July 13, 1988

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 Coal Pool.


A request for non-standard location for the Grambling C #200 was previously sent to you showing the location to be 1150'N, 605'E, Section 12, T-30-N, R-10-W. It is now intended to locate the Meridian Oil Inc.'s Grambling C #200 at 1180' from the North line and 605' from the East line of Section 12, T-30-N, R-10-W, San Juan County, New Mexico.

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

Meridian Oil Inc. is the offsetting operator for this location.

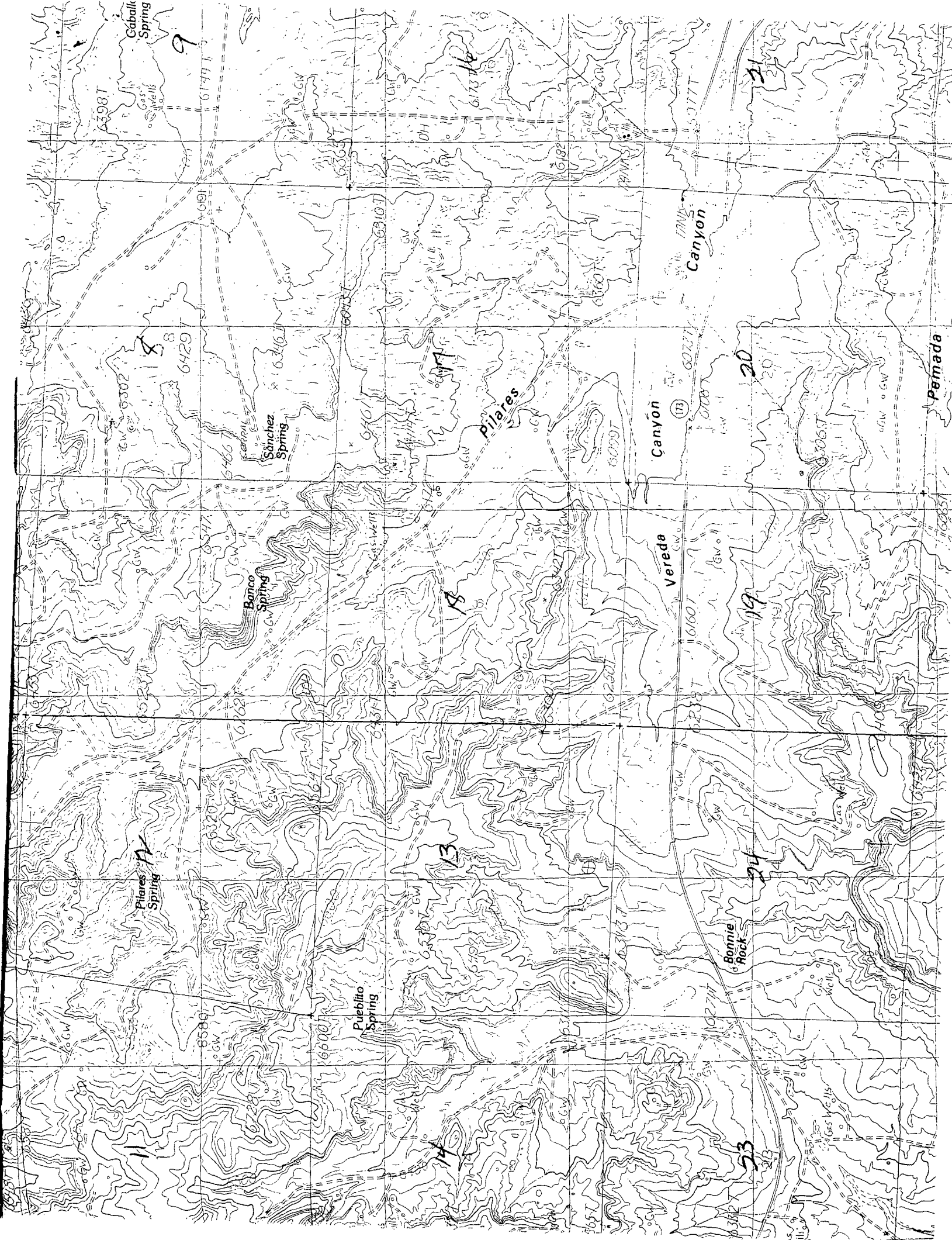
Plats showing the proposed well location and the terrain in Section 12, along with an ownership plat, are attached.

Sincerely yours,


Peggy Doak

encl.

*Undesignated
Blanco Fruitland Pool*



MERIDIAN OIL INC.

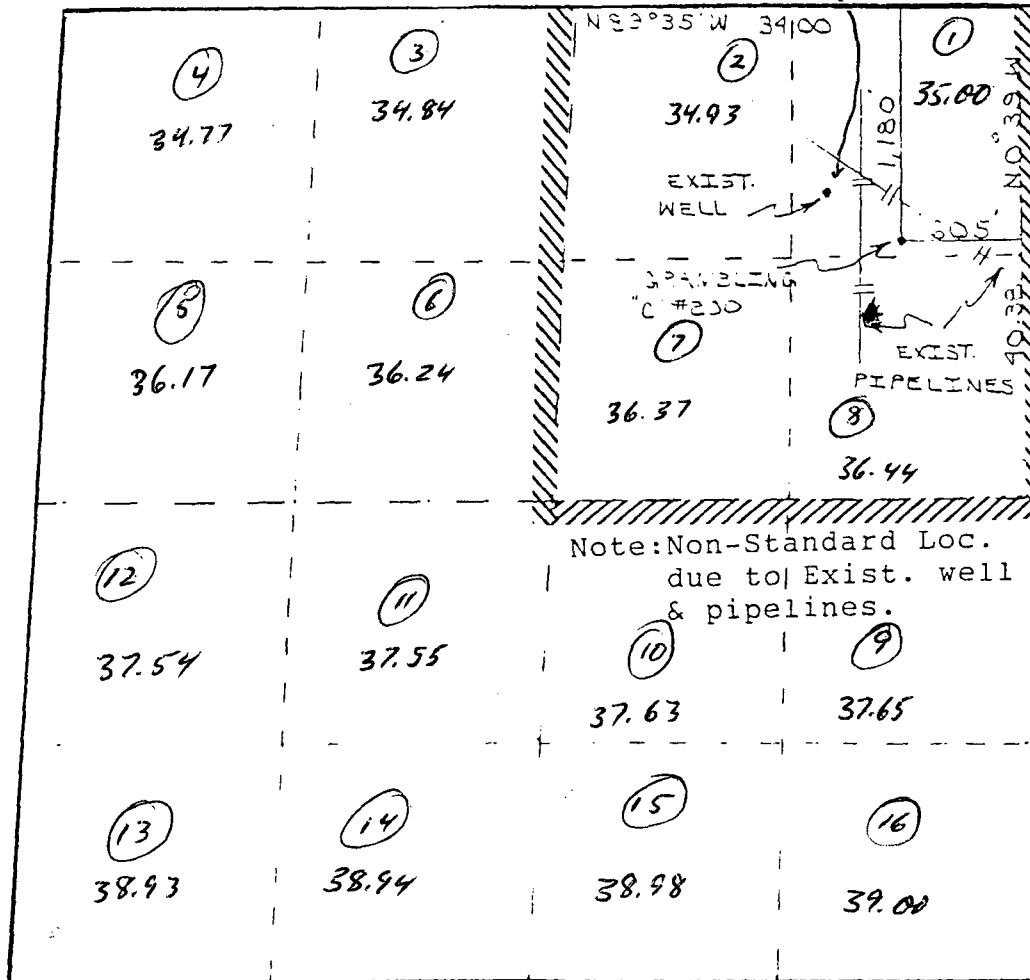
Well Name Grambling C #200, Undesignated Fruitland

Footage----- 1180' FNL; 605' FEL

APPLICATION FOR NON-STANDARD LOCATION

County San Juan State New Mexico Section 12 Township 30N Range 10W

*Meridian Oil Inc.
Grambling "C" Well No. 7
890' FNL-1000' FEL
Spud: 8/6/70
Blanco Pictured
CL. 8/85
Completion*



*Meridian Oil
Inc. Grambling "C" #3
1750' FNL-1090' FEL
Spud: 4/19/52
Blanco Mesa Verde
Completion*

*Standard
sized
Section*

REMARKS: OFFSET OPERATOR:

ALL -- Meridian Oil Inc.

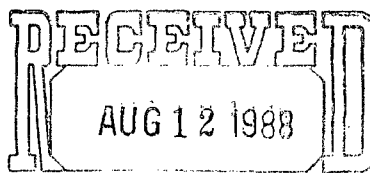


STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

11001 THE BLAZERS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501



OIL CONSERVATION DIVISION
SANTA FE

DATE 8-9-88

RE: Proposed MC _____
Proposed DHC _____
Proposed HSL A _____
Proposed SWD _____
Proposed WFX _____
Proposed PHX _____

Gentlemen:

I have examined the application dated 8-9-88
for the MERIDIAN OIL INC. GRAMBLING C#200 A-12-30A-10A
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approved

Yours truly,

Ed. B. [Signature]