



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

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

July 24, 1990

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

Attention: Peggy Bradfield

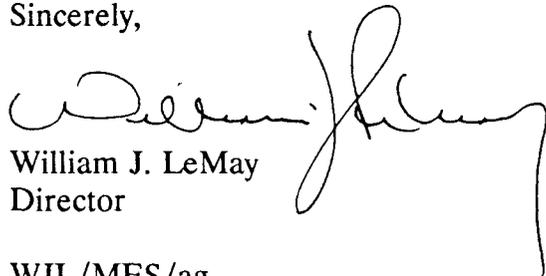
Administrative Order NSL-2828

Dear Ms. Bradfield:

Reference is made to our telephone conversation on Tuesday July 17, 1990 and your application dated June 19, 1989 for a non-standard coal gas well location for your San Juan 29-7 Unit Well No. 512 located 1460 feet from the North line and 2365 feet from the East line (Unit G) of Section 19, Township 29 North, Range 7 West, NMPM, Basin Fruitland Coal (Gas) Pool, Rio Arriba County, New Mexico. The E/2 of said Section 19 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool as promulgated by Division Order No. R-8768, the above-described unorthodox coal gas well location is hereby approved. Also, please disregard my letter to you dated October 17, 1989.

Sincerely,



William J. LeMay
Director

WJL/MES/ag

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