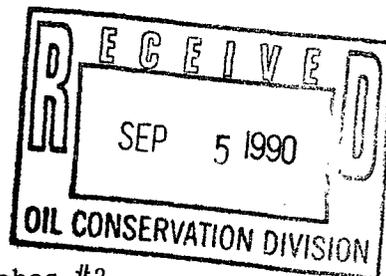


MERIDIAN OIL

August 31, 1990

Federal Express

Mr. William LeMay
New Mexico Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87503



RE: Turner Hughes #2
1025'FNL, 885'FWL
Section 11, T-27-N, R-09-W
San Juan County, New Mexico

Dear Mr. LeMay:

This is a request for administrative approval for a non-standard gas well location in the Basin Fruitland Pool.

Meridian Oil intends to plugback and recomplete the Turner Hughes #2 well from the Pictured Cliffs pool to the Basin Fruitland Coal Pool. The current location of this well is 1025'FNL, 885'FWL, Section 11, T-27-N, R-09-W, San Juan County, New Mexico. The well is considered non-standard due to the NE-SW dedicated pattern established for the Basin Fruitland Coal Pool. To comply with the New Mexico Oil Conservation Division rules, Meridian is submitting the following for your approval of this non-standard location:

1. C-102 plat showing location of the well;
2. Plat showing offset owners/operators;
3. Affidavit of notification of offset owners/operators;
4. Copy of Well Completion Log for original completion.

A copy of this application is being submitted to all offset owners/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.

Sincerely yours,

A handwritten signature in cursive script that reads "Peggy Bradfield".

Peggy Bradfield
encl.

WAIVER

_____ hereby waives objection to Meridian Oil Inc.'s application for a non-standard location for their Turner Hughes #2 as proposed above.

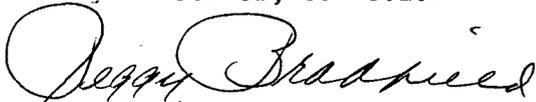
By: _____ Date: _____

xc: Texaco, Inc.

Turner Hughes #2
1025'FNL, 885'FWL
Section 11, T-27-N, R-09-W
San Juan County, New Mexico

I hereby certify that the following offset owners/operators have been notified by certified mail of our application for administrative approval for non-standard gas well location for the plugback and recompletion of the above well.

Texaco, Inc.
P.O. Box 2100
Denver, CO 80201



Peggy Bradfield
August 31, 1990

San Juan County
State of New Mexico

My commission expires August 17, 1992

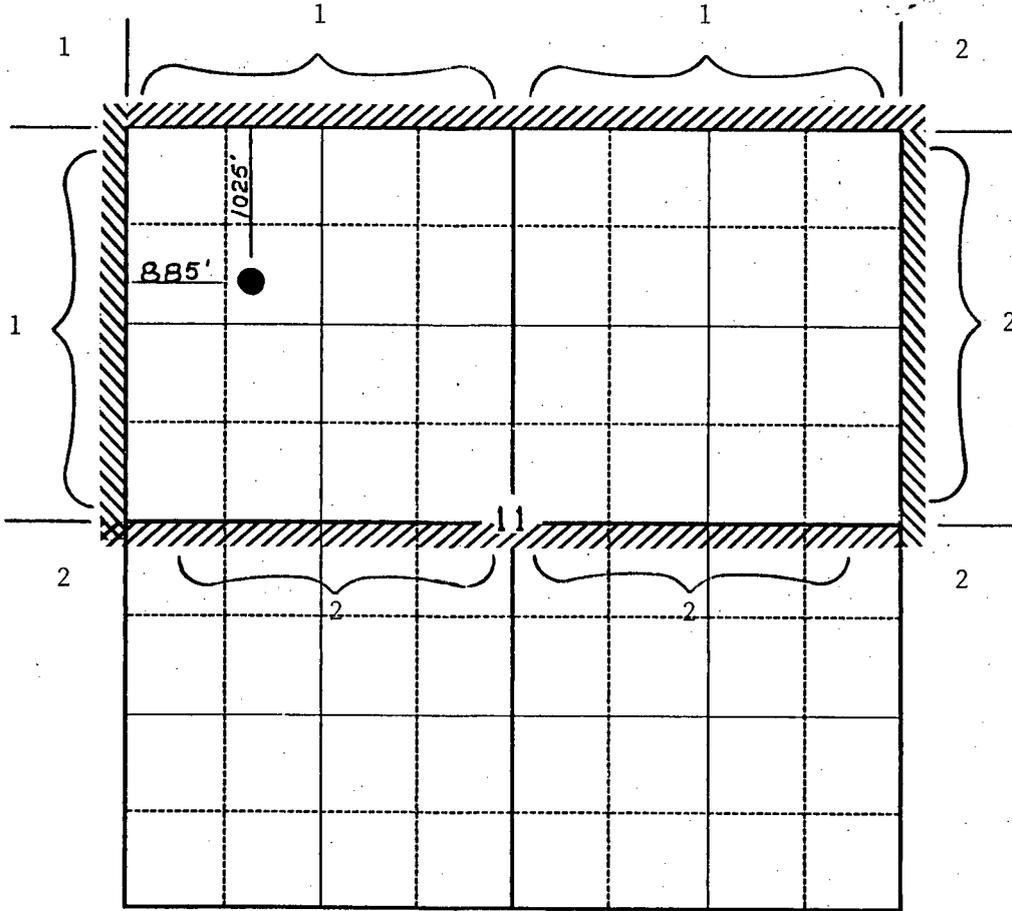
MERIDIAN OIL INC

Well Name Turner Hughes #2

Footage 1025' FNL; 885' FWL

APPLICATION FOR NON-STANDARD LOCATION

County San Juan State New Mexico Section 11 Township 27N Range 9W



Remarks 1) Meridian Oil Inc
2) Texaco, Inc.

Submit to Appropriate
District Office
State Leases - 4 copies
Fee Leases - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

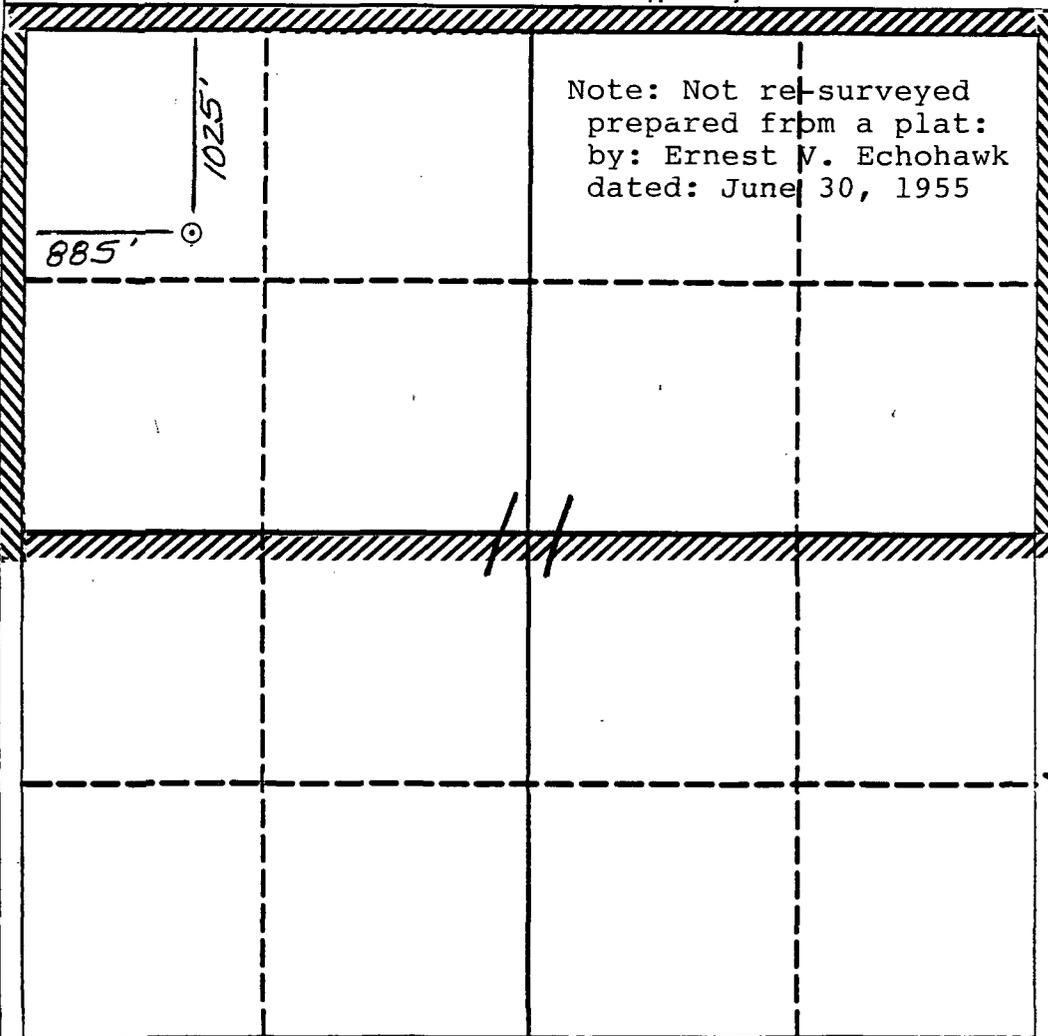
All Distances must be from the outer boundaries of the section

Operator Meridian Oil Inc.		Lease Turner Hughes (SF-079937)		Well No. 2
Unit Letter D	Section 11	Township 27 North	Range 9 West	County San Juan
Actual Footage Location of Well: 1025 feet from the North line and 885 feet from the West line				
Ground level Elev. 6104'	Producing Formation Fruitland Coal	Pool Basin	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 interest 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

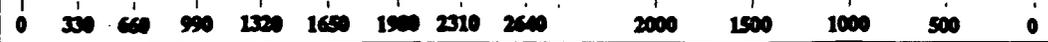
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Peggy Bradfield
Printed Name
Regulatory Affairs
Position
Meridian Oil Inc.
Company
Date

SURVEYOR CERTIFICATION

I hereby certify that the well 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
8-30-90
Signature
Professional Surveyor
NEW MEXICO
6857
6857
REGISTERED LAND SURVEYOR
Certificate No.
Neale Edwards





STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
RECEIVED

GARREY CARRUTHERS
GOVERNOR

'90 NOV 28 AM 9 24

TERRELL HAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-0170

Date: 11-26-90

Attn: M. Stegner

Oil Conservation Division
P.O. Box 2000
Santa Fe, NM 87504-2000

Re: Proposed MC _____
Proposed DHC _____
Proposed NSL 2 _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated 10-5-90

for the Applicant's name Turner Hughes #2
Operator Lease & Well No.

D-11-27N-9W and my recommendations are as follows:
Unit, S-T-R

Approve

Yours truly,

Gene Bush