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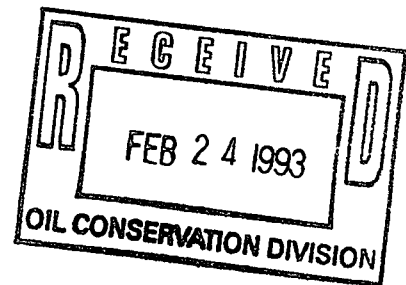
JASON KELLAHIN (RETIRED 1991)

February 24, 1993

Mr. Michael E. Stogner
Chief Hearing Officer/Engineer
Oil Conservation Division
310 Old Santa Fe Trail, Room 218
State Land Office Building
Santa Fe, New Mexico 87501

HAND DELIVERED

RE: Seymour #7A Well
Administrative Application of
Meridian Oil Inc. for Approval
of an Unorthodox Well Location,
San Juan County, New Mexico



Dear Mr. Stogner:

On behalf of Meridian Oil Inc., please find enclosed our administrative application for approval of an unorthodox gas well location for the Seymour #7A Well to be drilled in the E/2 of Section 23, T31N, R9W, San Juan County, New Mexico for production from the Blanco Mesaverde Gas Pool.

Meridian Oil Inc. is the only offsetting operator affected by this application and therefore no further notifications are required.

Very truly yours,

W. Thomas Kellahin

WTK/jcl

Enclosure

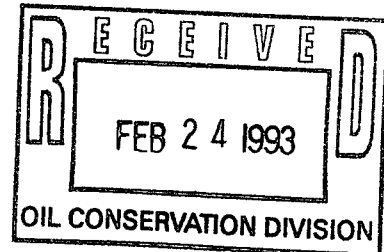
xc: with Enclosure

Alan Alexander - Farmington, NM

appt224.330

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

IN THE MATTER OF THE ADMINISTRATIVE
APPLICATION OF MERIDIAN OIL INC.
FOR APPROVAL OF AN UNORTHODOX GAS
WELL LOCATION, SAN JUAN COUNTY,
NEW MEXICO



ADMINISTRATIVE APPLICATION

Comes now MERIDIAN OIL INC., by and through its attorneys, Kellahin and Kellahin, and in accordance with Division General Rule 104(f) applies to the New Mexico Oil Conservation Division for approval of an unorthodox well location in the Blanco Mesaverde Gas Pool for its proposed Seymour #7A Well to be drilled at an unorthodox gas well location 425 feet from the South line and 790 feet from the East line (Unit P) of Section 23, Township 31 North, Range 9 West, NMPM, San Juan County, New Mexico and to be dedicated to a 320 acre spacing unit consisting of the E/2 of said Section 23, and in support states:

(1) Meridian Oil Inc. ("Meridian") is the proposed operator of the subject well and is a working interest owner in the E/2 of said Section 23.

(2) Meridian has previously completed its Seymour #7 Well at a standard location in the NE/4 of Section 23

and dedicated the E/2 of Section 23 to the well. See Exhibit A, attached hereto.

(3) Meridian now proposes to drill its Seymour #7A Well as an infill well in the Blanco Mesaverde Gas Pool. See Exhibit B attached hereto.

(4) Meridian has attempted to located the subject well within each of the 4 standard well locations in the SE/4 of said Section 23, but in each instance for topographical reasons has been unable to obtain an approved standard location. See Exhibit C attached hereto.

(5) The proposed location is unorthodox for the Blanco Mesaverde Gas Pool because it is located 425 feet from the south line rather than the required 790 feet.

(6) The proposed unorthodox location is necessary in order for the Applicant to economically recover Blanco Mesaverde Gas Pool reserves that are present in the SE/4 of said Section 23.

(7) Meridian is the only offset operator towards whom the well encroaches and therefore no notification is required and the 20-day waiting period does not apply in this case.

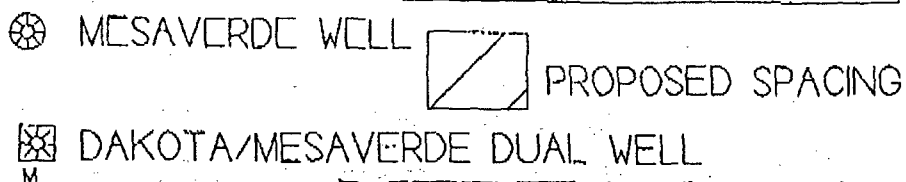
Administrative Application of Meridian Oil, Inc.
Page 3

WHEREFORE, Meridian requests that this matter be
approved administratively by the Division.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'W. Thomas Kellahin', written in a cursive style.

W. Thomas Kellahin
Kellahin and Kellahin
P.O. Box 2265
Santa Fe, New Mexico 87504-2265
(505) 982-4285
Attorneys for Applicant



MERIDIAN OIL

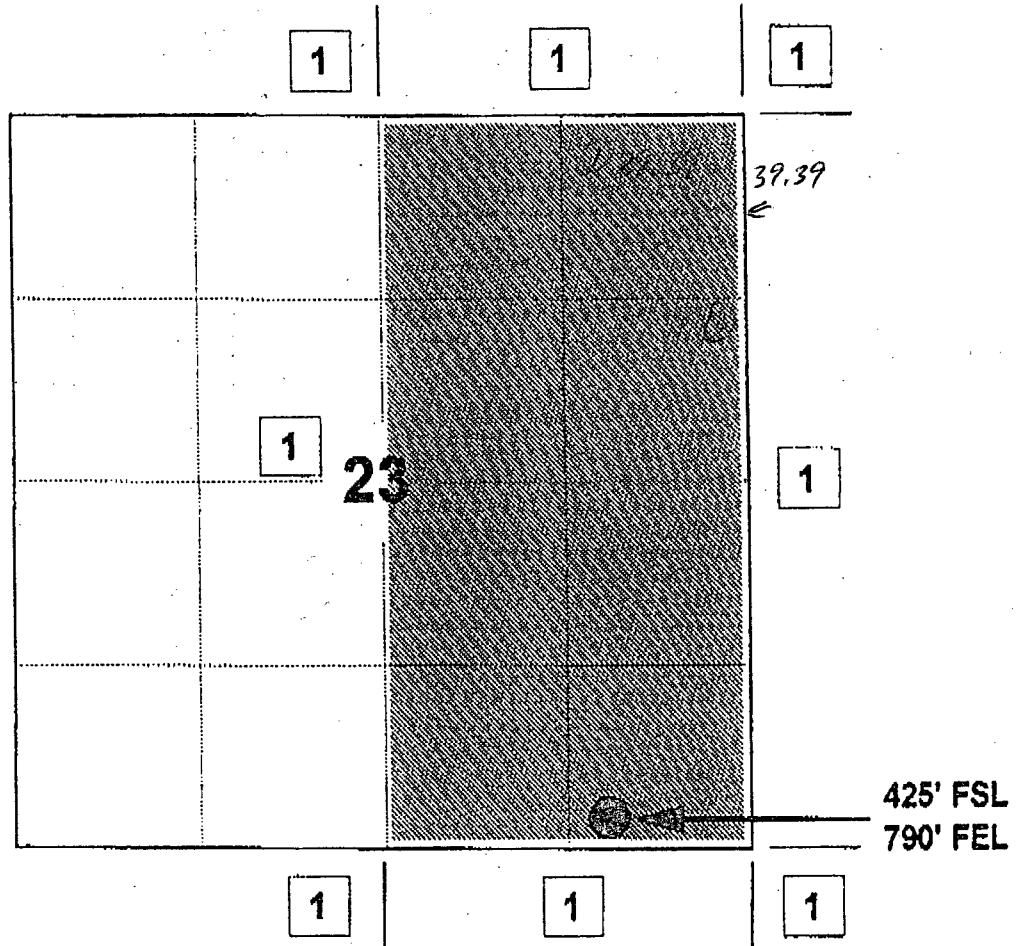
MERIDIAN OIL INC

SEYMOUR #7A

OFFSET OPERATOR \ OWNER PLAT

Unorthodox Mesaverde Well Location

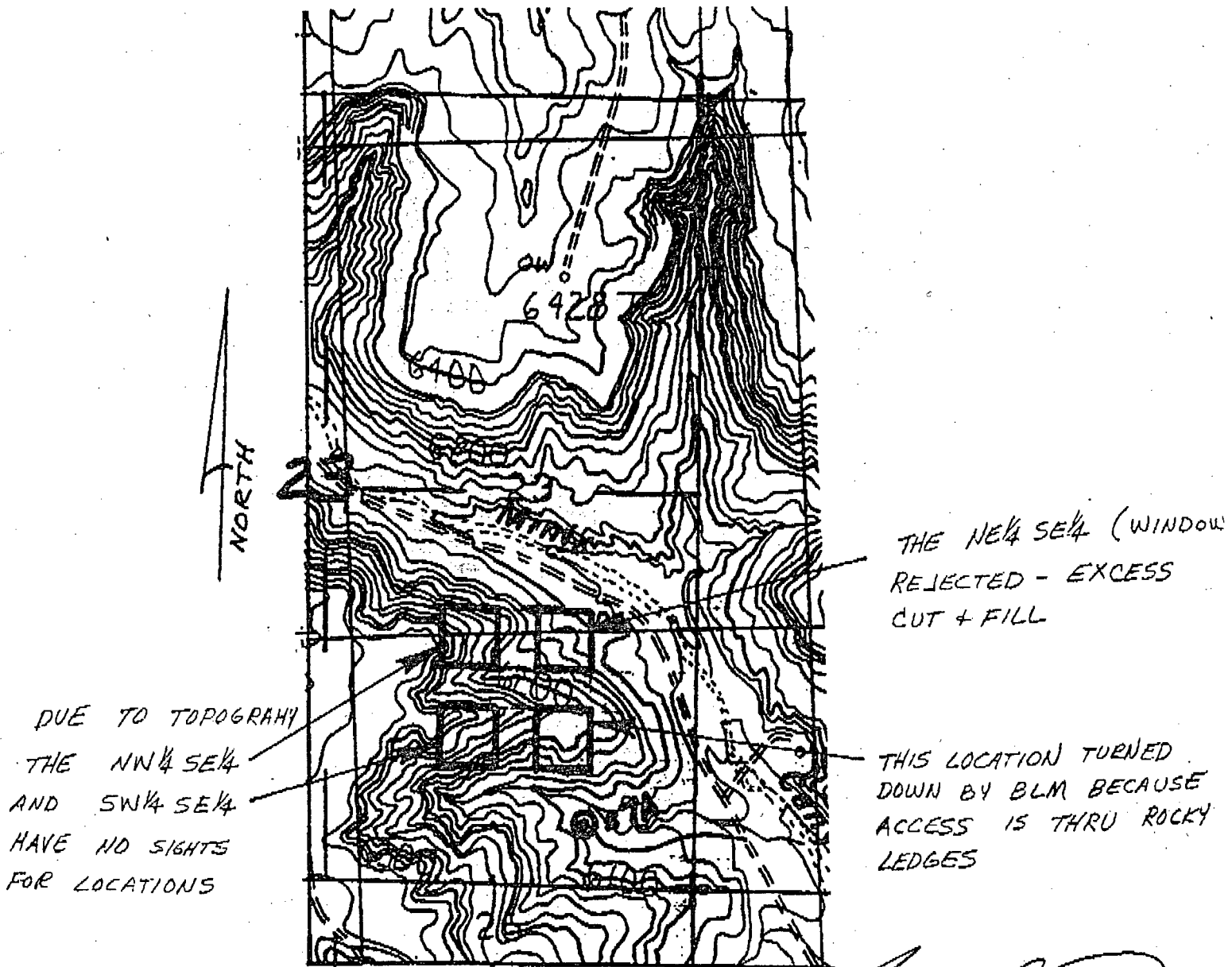
Township 31 North, Range 09 West



1) Meridian Oil Inc

EXHIBIT "C" - One Page
Seymour #7A

425' FSL, 790' FEL,
Sec. 23, T31N, R9W, NMPM,
San Juan County, NM



Neale C. Edwards
Neale C. Edwards
NMRLS 6857
2-17-93