



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



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

October 28, 1993

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

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

Attention: Peggy Bradfield

Administrative Order NSL-3321

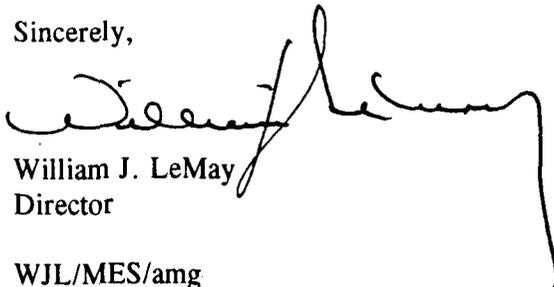
Dear Ms. Bradfield:

Reference is made to your application dated September 28, 1993, for a non-standard Basin-Fruitland coal gas well location for your existing Huerfano Unit Well No. 255 which was drilled in 1974 and completed in the Angel Peak Gallup Pool at a non-standard gas well location 1460 feet from the North line and 800 feet from the West line (Unit E) of Section 31, Township 27 North, Range 9 West, NMPM, San Juan County, New Mexico. There exists no record of this location being approved as an unorthodox location in the Gallup interval.

It is my understanding at this time that the Gallup zone will be properly plugged back and said well will be recompleted to the Basin-Fruitland Coal Gas Pool, which pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool as promulgated by Division Order No. R-8768, as amended, is also unorthodox. Further, Lots 1 through 4 and the E/2 W/2 (W/2 equivalent) said Section 31 shall be dedicated to the well forming a standard 324.80-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of said Division Order No. R-8768, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,



William J. LeMay
Director

WJL/MES/amg

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