

State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505



OIL CONSERVATION DIVISION



February 27, 1995

Meridian Oil, Inc.
Attention: Peggy Bradfield
P.O. Box 4289
Farmington, New Mexico 87499-4289

Administrative Order NSL-3489

Dear Ms. Bradfield:

Reference is made to your application dated February 21, 1995 for a non-standard gas well location in the Undesignated Devils Fork-Gallup Associated Pool for your proposed Canyon Largo Unit Well No. 447 (API No. 30-039-25480) to be drilled 1510 feet from the North line and 1615 feet from the East line (Unit G) of Section 24, Township 25 North, Range 7 West, NMPM, Rio Arriba County, New Mexico. It is our understanding that this well will be dually completed in both the Undesignated Devils Fork-Gallup Associated Pool and Basin-Dakota Pool, and pursuant to the "*Special Rules and Regulations for the Basin-Dakota Pool*", as promulgated by Division Order No. R-8170, as amended, said location is standard. However, pursuant to **Rule 2(b)** of the "*General Rules and Regulations for the Associated Oil and Gas Pools of Northwest and Southeast New Mexico/Special Rules and Regulations for the Devils Fork-Gallup Associated Pool*", as promulgated by Division Order No. R-5353, as amended, said location is considered to be unorthodox.

By the authority granted me under the provisions of Rule 2(c) of said Special Rules and Regulations for the Devils Fork-Gallup Associated Pool, the above-described unorthodox gas

VILLAGRA BUILDING - 408 Galleto

Forestry and Resources Conservation Division
P.O. Box 1948 87504-1948
827-5830

Park and Recreation Division
P.O. Box 1147 87504-1147
827-7465

2040 South Pacheco

Office of the Secretary
827-5950

Administrative Services
827-5925

Energy Conservation & Management
827-5900

Mining and Minerals
827-5970

Oil Conservation
827-7131

Administrative Order NSL-3489

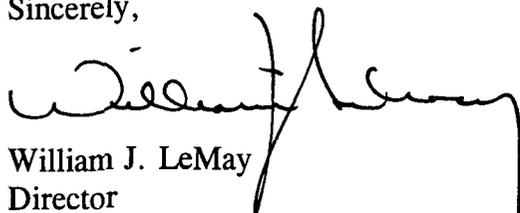
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well location is hereby approved. Further, the E/2 of said Section 24 shall be dedicated to said well forming a standard 320-acre gas spacing and proration for both the Gallup and Dakota zones.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. LeMay', is written over the typed name and title. The signature is fluid and cursive, with a long, sweeping underline that extends to the right and then curves down.

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington