



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

March 1, 1996

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

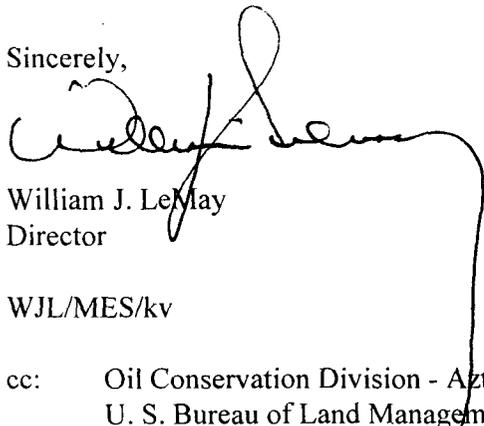
Administrative Order NSL-3635

Dear Ms. Bradfield:

Reference is made to your applications dated April 24, 1995 and February 16, 1996 for a non-standard gas well location in the Undesignated Devils Fork-Gallup Associated Pool for your Canyon Largo Unit Well No. 430 (API No. 30-039-25477) located 1455 feet from the South line and 1435 feet from the West line (Unit K) of Section 14, Township 25 North, Range 7 West, NMPM, Rio Arriba County, New Mexico. It is our understanding that said well is 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 pool rules for the Devils Fork-Gallup Associated Pool, the above-described unorthodox gas well location is hereby approved. Further, the W/2 of said Section 14 shall be dedicated to said well forming a standard 320-acre gas spacing and proration for both the Gallup and Dakota zones.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

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