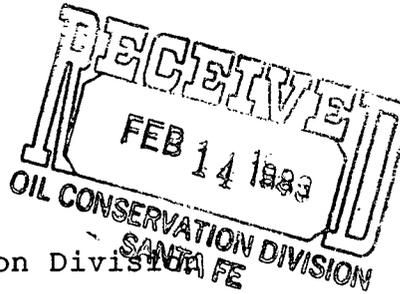


MERIDIAN OIL

February 10, 1989



Mr. William LeMay
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87504

Dear Mr. LeMay:

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

Meridian Oil Inc.'s Day #202 is located at 865' from the North line and 1055' from the West line of Section 18, T-29-N, R-8-W, San Juan County, New Mexico.

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

A plat showing the proposed well location and configuration of Section 18, along with an ownership plat, are attached.

Sincerely yours,

Peggy Bradfield

encl.

WAIVER

_____ hereby waives objection to Meridian Oil Inc. application for a non-standard proration unit for their Day #202 as proposed above.

By: _____

Date: _____

xc: Tenneco Oil

All distances must be from the outer boundaries of the section.

Operator MERIDIAN OIL INC.			Lease DAY		Well No. 202
Unit Letter C	Section 18	Township 29 N.	Range 8 W.	County San Juan	
Actual Footage Location of Well: 965 feet from the NORTH line and 1055 feet from the WEST line					
Ground Level Elev. 6409	Producing Formation Fruitland Coal		Pool Basin		Dedicated Acreage: 237.04 Acres

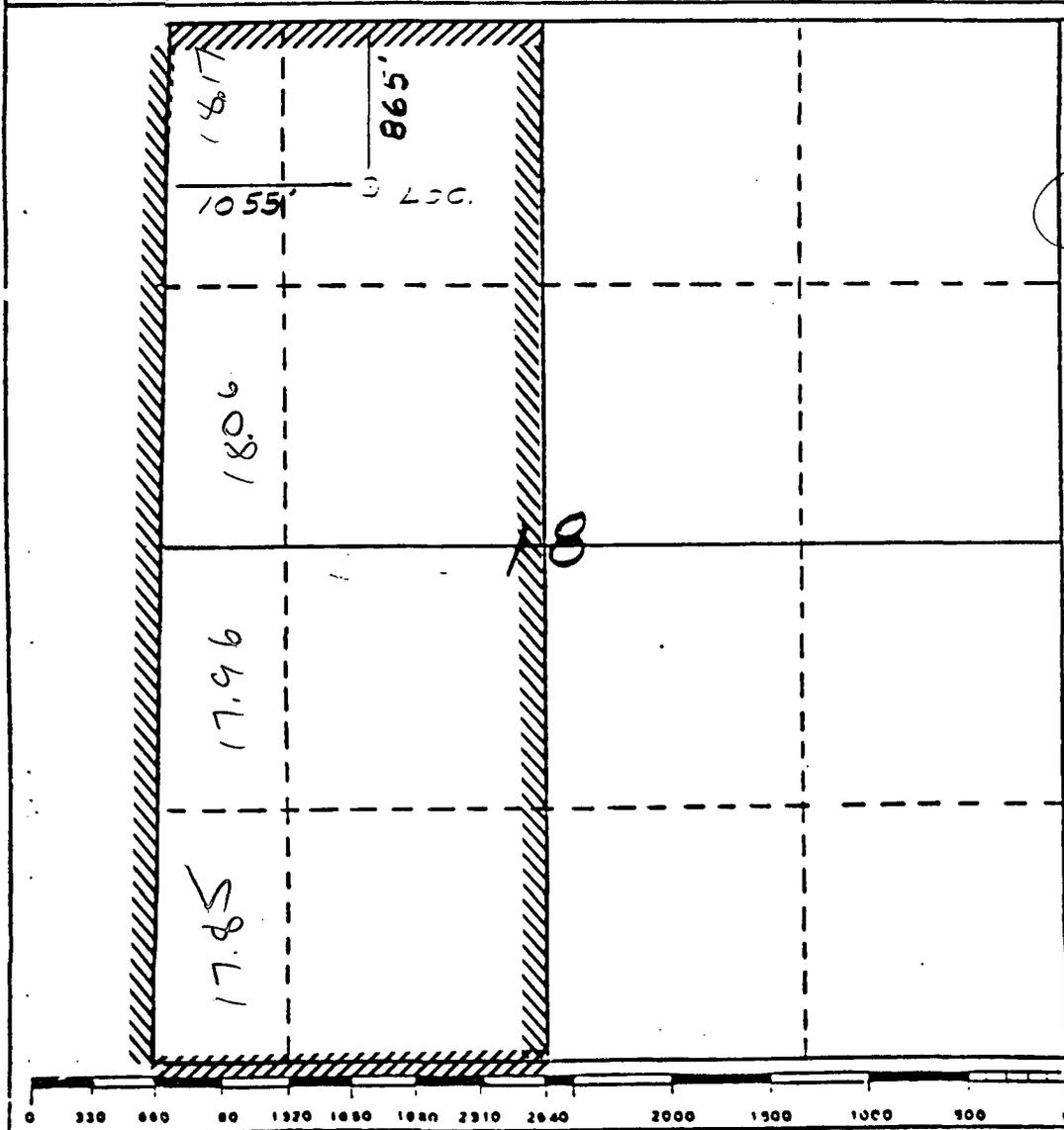
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests 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 interests, has been approved by the Division.

*Note: Standard Location



CERTIFICATION

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

R. B. [Signature]

Name
Regulatory Affairs
Position
Meridian Oil Inc.
Company
12-22-88
Date

I have seen the well location shown on this plat was plotted from field notes of [unclear] made by me under my supervision and that the same is correct to the best of my knowledge and belief.

[Signature]

Date Surveyed
6-9-33
Registered Professional Engineer
and/or Land Surveyor

Neale C. Edwards
Certificate No.
6857



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 2-15-89

RE: Proposed MC _____
Proposed DIIC _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

RECEIVED
FEB 21 1989
OIL CONSERVATION DIVISION
SANTA FE

Gentlemen:

I have examined the application dated 2-14-89
for the Moridian Oil Inc. Day # 202 C-18-29N-80
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

Yours truly,

Ernie Basal