



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



BRUCE KING
GOVERNOR

February 8, 1994

ANITA LOCKWOOD
CABINET SECRETARY

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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-2394

Dear Ms. Bradfield:

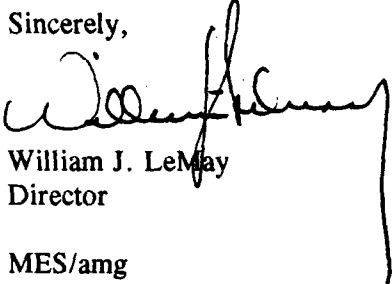
Reference is made to your application dated December 21, 1993 for a non-standard Basin-Fruitland coal gas well location for the existing Huerfano Unit Well No. 238 (API No. 30-045-21409) located 990 feet from the South and East lines (Lot 4/Unit P) of Section 36, Township 27 North, Range 10 West, NMPM, San Juan County, New Mexico.

Review of this application and Division records indicates that prior authorization from the Division was granted Meridian Oil, Inc. for the recompletion of this well to the Fruitland Coal interval at an unorthodox coal gas well location by Administrative Order NSL-2934, dated November 7, 1990.

The only change indicated by your December 21st application from the previous authorization is to include perforations into the Undesignated Fulcher Kutz-Pictured Cliffs Pool and to permit the downhole commingling of Pictured Cliffs and Fruitland Coal gas. As stated in your application letter, said location is considered standard for the Pictured Cliffs interval.

The previous order issued in this matter appears to adequately cover Meridian's concerns addressed in said application; therefore, said Order NSL-2934 shall remain in full force and effect until further notice.

Sincerely,


William J. LeMay
Director

MES/amg

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
File: DHC-974