



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

August 24, 1988

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

Attention: Peggy Doak

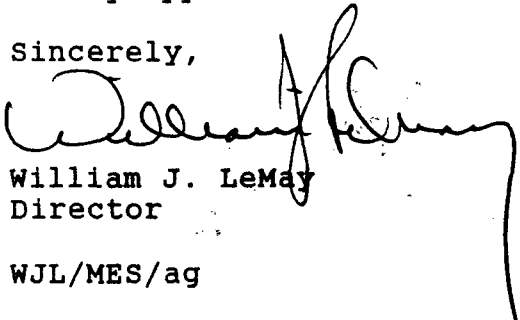
Administrative Order NSL-2564

Dear Ms. Doak:

Reference is made to your application of July 13, 1988 for a non-standard gas well location for your Atlantic Well No. 205 to be located 1040 feet from the North line and 610 feet from the East line (Unit A) of Section 22, Township 31 North, Range 10 West, NMPM, to test the Fruitland formation, San Juan County, New Mexico. The applicant proposes to dedicate Lots 1, 2, 7 and 8 of said Irregular Section 22 to the well forming a non-standard 157.02-acre, more or less, gas spacing and proration unit for said formation.

By the authority granted me under the provisions of General Rule 104 F(I), the above-described unorthodox gas well location is hereby approved.

Sincerely,


William J. LeMay
Director

WJL/MES/ag

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