STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS

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

June 21, 1989

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

Attention: Peggy Bradfield

Administrative Order NSL-2667

Dear Ms. Bradfield:

Reference is made to your application of May 30, 1989 for a non-standard coal gas well location for your Allison Unit Well No. 113 to be located 820 feet from the South line and 600 feet from the West line (Unit M) of Section 19, Township 32 North, Range 6 West, NMPM, Basin Fruitland Coal (Gas) Pool, San Juan County, New Mexico. Lots 1, 2, 3 and 4 and the E/2 W/2 of said Section 19 shall be dedicated to the well forming a standard 316.83-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool as promulgated by Division Order No. R-8768, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

William J. LeMay

Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec

New Mexico Oil & Gas Engineering Committee - Hobbs

US Bureau of Land Management - Farmington