

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

GARREY CARRUTHERS
GOVERNOR

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SANTA FE, NEW MEXICO 87504
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June 28, 1990

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

Attention: Peggy Bradfield

Administrative Order NSL-2818

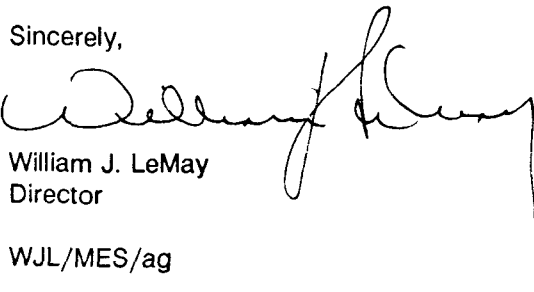
Dear Ms. Bradfield:

Reference is made to your application dated May 4, 1990 for a non-standard Basin-Fruitland coal gas well location for your existing Grenier Well No. 18 which was drilled in early 1969 and completed in the Aztec Pictured Cliffs Pool at a standard gas well location 1550 feet from the South line and 1840 feet from the East line (Unit J) of Section 13, Township 31 North, Range 12 West, NMPM, San Juan County, New Mexico.

It is my understanding that the Pictured Cliffs zone will be properly plugged back and said well will be recompleted to the Basin-Fruitland Coal Gas Pool, which pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool as promulgated by Division Order No. R-8768, is unorthodox. Further, Lots 6 and 7, the SW/4 and the W/2 SE/4 of said Section 13 shall be dedicated to the well forming a standard 316.64-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of said 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
US Bureau of Land Management - Farmington