



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

GARREY CARRUTHERS  
GOVERNOR

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

September 14, 1990

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

Attention: Peggy Bradfield

*Administrative Order NSL-2857*

Dear Ms. Bradfield:

Reference is made to your application dated August 16, 1990 for a non-standard Basin-Fruitland coal gas well location for your existing San Juan 27-4 Well No. 122 which was drilled in 1985 and completed in the Blanco Mesaverde Pool at a standard gas well location 1470 feet from the South line and 1850 feet from the East line (Unit J) of Section 2, Township 27 North, Range 4 West, NMPM, Rio Arriba County, New Mexico.

It is my understanding that the Mesaverde 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 1 and 2, the S/2 NE/4, and SE/4 (E/2 equivalent) of said Section 2 shall be dedicated to the well forming a standard 319.96-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,

A handwritten signature in black ink, appearing to read "William J. LeMay", written over a horizontal line.

William J. LeMay  
Director

WJL/MES/ag

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