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

October 5, 1990

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

Attention: Peggy Bradfield

Administrative Order NSL-2885

Dear Ms. Bradfield:

Reference is made to your application dated September 13, 1990 for a non-standard coal gas well location for your Rosa Unit Well No. 306 to be located 375 feet from the South line and 1125 feet from the West line (Unit M) of Section 22, Township 31 North, Range 4 West, NMPM, Basin Fruitland Coal (Gas) Pool, Rio Arriba County, New Mexico. The W/2 of said Section 22 shall be dedicated to the well forming a standard 320-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

US Bureau of Land Management - Farmington

US Forest Service - Blanco