STATE OF NEW MEXICO



## ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

## **DIL CONSERVATION DIVISION**

GARREY CARRUTHERS

November 28, 1990

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

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

Attention: Peggy Bradfield

Administrative Order NSL-2948

Dear Ms. Bradfield:

Reference is made to your application dated August 31, 1990 for a non-standard Basin-Fruitland coal gas well location for your existing Turner Hughes Well No. 2 which was drilled in 1966 and completed in the South Blanco Pictured Cliffs Pool at a standard gas well location 1025 feet from the North line and 885 feet from the West line (Unit D) of Section 11, Township 27 North, Range 9 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, the N/2 of said Section 11 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 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