



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

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

September 17, 1991

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

Attention: Peggy Bradfield

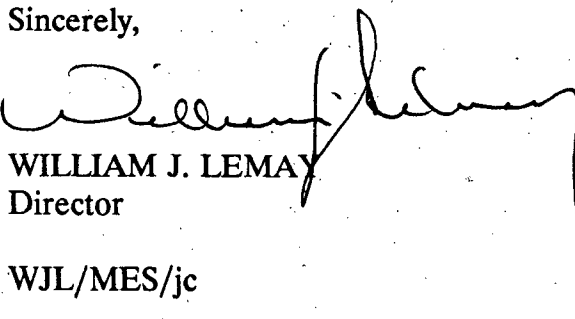
Administrative Order NSL-3047

Dear Ms. Bradfield:

Reference is made to your application dated March 10, 1989, for a non-standard coal gas well location for your Hancock "A" Well No. 708 or 710 to be located 2595 feet from the North line and 685 feet from the East line (Unit H) of Section 26, Township 28 North, Range 9 West, NMPM, Basin Fruitland Coal (Gas) Pool, San Juan County, New Mexico. The E/2 of said Section 26 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

By 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, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,


WILLIAM J. LEMAY
Director

WJL/MES/jc

cc: Oil Conservation Division - Aztec
USBLM - Farmington