



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



BRUCE KING
GOVERNOR

May 27, 1993

ANITA LOCKWOOD
CABINET SECRETARY

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

Meridian Oil, Inc.
Attention: Peggy Bradfield
P.O. Box 4289
Farmington, New Mexico 87499-4289

Administrative Order NSL-3244

Dear Ms. Bradfield:

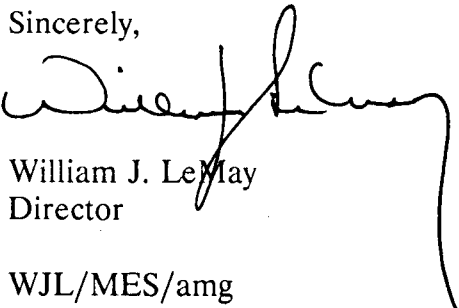
Reference is made to your application dated May 5, 1993 for an unorthodox Blanco-Mesaverde gas well location on an existing standard 320-acre gas spacing and proration unit (GPU) for said Blanco-Mesaverde Pool comprising the E/2 of Section 16, Township 30 North, Range 7 West, NMPM, Rio Arriba County, New Mexico. Said GPU presently has dedicated thereon the State Com. Well Nos. 1 and 1-R located in Units H and P, respectively, of said Section 16.

By the authority granted me under the provisions of Rule 2(d) of the Special Rules and Regulations for the Blanco-Mesaverde Pool, as promulgated by Division Order No. R-8170, as amended, the following described well to be drilled at an unorthodox gas well location is hereby approved:

**State Com. Well No. 1-R
2515' FNL - 640' FEL (Unit H)**

Further, Meridian is authorized to simultaneously dedicate Blanco-Mesaverde gas production on the subject GPU from the No. 1-R well with the two existing Well Nos. 1 and 1-A. Said wells and GPU will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest New Mexico.

Sincerely,


William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Aztec
New Mexico State Land Office - Santa Fe
US Bureau of Reclamation - Durango