



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



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

April 8, 1994

Merit Energy Company
c/o On Site Technologies, Ltd.
P.O. Box 2606
Farmington, NM 87499

Attention: Tora Baldwin

Administrative Order NSL-3374

Dear Ms. Baldwin:

Reference is made to your application dated March 14, 1994 on behalf of the operator, Merit Energy Company, for a non-standard oil well location for the proposed Jicarilla "K" Well No. 10E to be drilled 1370 feet from the South line and 1440 feet from the West line (Unit K) of Section 1, Township 25 North, Range 5 West, NMPM, Undesignated West Lindrith Gallup-Dakota Oil Pool, Rio Arriba County, New Mexico. The SW/4 of said Section 1 shall be dedicated to the well forming a standard 160-acre oil spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 5 of the Special Rules and Regulations for the West Lindrith Gallup-Dakota Oil Pool, as promulgated by Division Order No. R-4314-A, the above-described unorthodox oil well location is hereby approved.

Sincerely,

William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Albuquerque
Bureau of Indian Affairs - Dulce (Attention: Raymond Frost)