



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



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August 2, 1994

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

Attention: Peggy Bradfield

Administrative Order NSL-3418

Dear Ms. Bradfield:

Reference is made to your application dated July 11, 1994, for a non-standard Basin-Fruitland coal gas well location for your existing Huerfano Unit Well No. 231 (API No. 30-045-21117) which was drilled in 1972 and completed in the Angel Peak Gallup Associated Pool at a standard gas well location 1050 feet from the North line and 800 feet from the West line (Unit D) of Section 6, Township 26 North, Range 9 West, NMPM, San Juan County, New Mexico.

It is my understanding that the Gallup 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, as amended, is unorthodox. Further, Lots 1 through 5, the S/2 NE/4 and SE/4 NW/4 (W/2 equivalent) of said Section 6 shall be dedicated to the well forming a standard 326.18-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, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington