

State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505



OIL CONSERVATION DIVISION



February 27, 1995

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

Administrative Order NSL-3490

Dear Ms. Bradfield:

Reference is made to your application dated February 21, 1995 for a non-standard gas well location in the Undesignated Devils Fork-Gallup Associated Pool for your proposed Canyon Largo Unit Well No. 428 to be drilled 1475 feet from the North and East lines (Unit G) of Section 13, Township 25 North, Range 7 West, NMPM, Rio Arriba County, New Mexico. It is our understanding that this well will be dually completed in both the Undesignated Devils Fork-Gallup Associated Pool and Basin-Dakota Pool, and pursuant to the "*Special Rules and Regulations for the Basin-Dakota Pool*", as promulgated by Division Order No. R-8170, as amended, said location is standard. However, pursuant to **Rule 2(b)** of the "*General Rules and Regulations for the Associated Oil and Gas Pools of Northwest and Southeast New Mexico/Special Rules and Regulations for the Devils Fork-Gallup Associated Pool*", as promulgated by Division Order No. R-5353, as amended, said location is considered to be unorthodox.

By the authority granted me under the provisions of Rule 2(c) of said Special Rules and Regulations for the Devils Fork-Gallup Associated Pool, the above-described unorthodox gas well location is hereby approved. Further, the E/2 of said Section 13 shall be dedicated to said well forming a standard 320-acre gas spacing and proration for both the Gallup and Dakota zones.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay".

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington

VILLAGRA BUILDING - 408 Gallisteo

Forestry and Resources Conservation Division
P.O. Box 1948 87504-1948
827-5830

Park and Recreation Division
P.O. Box 1147 87504-1147
827-7465

2040 South Pacheco

Office of the Secretary
827-5950

Administrative Services
827-5925

Energy Conservation & Management
827-5900

Mining and Minerals
827-5970

Oil Conservation
827-7131