



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

August 16, 1995

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

Attention: Peggy Bradfield

Administrative Order NSL-3565

Dear Ms. Bradfield:

Reference is made to your application dated June 23, 1995 for a non-standard Basin-Fruitland coal gas well location for your existing Seymour Com Well No. 1 (API No. 30-045-09058) which was drilled in 1958 and completed in the Aztec Pictured Cliffs Pool at a standard gas well location 990 feet from the North line and 1650 feet from the West line (Unit C) of Section 36, Township 30 North, Range 11 West, NMPM, San Juan County, New Mexico.

It is my understanding that the Pictured Cliffs 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, the N/2 of said Section 16 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of said Order No. R-8768, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay", with a long, sweeping horizontal line extending to the right.

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec
NM State Land Office - Santa Fe