



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

October 20, 1995

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

Attention: Peggy Bradfield

Administrative Order NSL-3585(NSP)

Dear Ms. Bradfield:

Reference is made to your application dated August 23, 1995 for a non-standard Blanco-Mesaverde gas well location 1650 feet from the South line and 720 feet from the East line (Lot 1/Unit I) of irregular Section 10, Township 28 North, Range 10 West, NMPM, San Juan County, New Mexico, for your existing Zachry Well No. 40 (API No. 30-045-25469), which was drilled at a standard oil well location in 1982 and completed in the Armenta-Gallup Oil Pool.

It is our understanding that the Gallup interval has recently been plugged back and said well has been recompleted to the Blanco-Mesaverde Pool and, pursuant to the "*General Rules For The Prorated Gas Pools of New Mexico/Special Rules and Regulations For The Blanco-Mesaverde Pool*", as promulgated by Division Order No. R-8170, as amended, said location is unorthodox. Further, all of said irregular Section 10 being a non-standard 259.20-acre gas spacing and proration unit for said pool is to be dedicated to said well.

By the authority granted me under the provisions of **Rules 2(a)4 and 2(d)** of said special pool rules, the above-described unorthodox gas well location and non-standard proration unit are hereby approved.

Sincerely,

William J. LeMay
Director

WJL/MES/kv

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