



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

April 11, 1996

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

Administrative Order NSL-3656

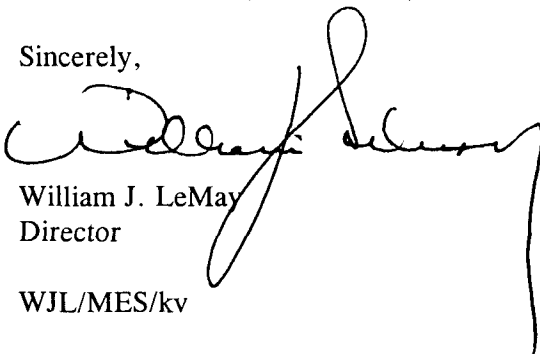
Dear Ms. Bradfield:

Reference is made to your application dated March 13, 1996 for an unorthodox gas well location for both the Blanco-Mesaverde and Basin-Dakota Pools for the proposed Johnston "A" Com "G" Well No. 18M (API No. 30-039-25559) to be drilled 1375 feet from the North line and 1700 feet from the West line (Unit F) of Section 36, Township 26 North, Range 6 West, NMPM, Rio Arriba County, New Mexico.

Production from both pools in said well is to be included to the existing standard 320-acre gas spacing and proration units comprising the W/2 of said Section 36, which production is currently dedicated to Meridian's Johnston "B" Com "G" Well No. 18 (API No. 30-039-25324), located at a standard gas well location 1465 feet from the South line and 1850 feet from the West line (Unit K) of said Section 36.

By the authority granted me under the provisions of Rule 2(d) of the "Special Rules and Regulations for the Blanco-Mesaverde Pool" and the "Basin-Dakota Pool", as promulgated by Division Order No. R-8170, as amended, the above-described unorthodox gas well location is hereby approved.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

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