STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

March 27, 1989

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

Attention: Peggy Bradfield

Administrative Order NSP-1565

Dear Ms. Bradfield:

Reference is made to your application of February 14, 1989 for a 232.04-acre non-standard gas proration unit consisting of the following acreage in the Basin Fruitland Coal (Gas) Pool:

SAN JUAN COUNTY, NEW MEXICO TOWNSHIP 29 NORTH, RANGE 8 WEST, NMPM Section 18: Lots 1, 2, 3, and 4 and the E/2 W/2

It is my understanding that this unit is to be dedicated to your Day Well No. 202 drilled at a previously approved non-standard coal gas well location pursuant to Decretory Paragraph No. (4) of Division Order No. R-8768, 865 feet from the North line and 1055 feet from the West line (Unit C) of said Section 18.

By authority granted me under the provisions of Rule 6 of the Special Rules and Regulations for the Basin Fruitland Coal (Gas) Pool, as promulgated by Division Order No. R-8768, the above non-standard gas proration unit is hereby approved.

Sincerely,

, William J. LeMay

Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec

NM Oil and Gas Engineering Committee - Hobbs

US Bureau of Land Management - Farmington