

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

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

September 14, 1989

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

Attention: Peggy Bradfield

RE: Frost Well No. 500, 1040' FNL - 130'
FEL; A-26-T27N-R10W, Basin Fruitland
Coal Gas Pool, San Juan County, New
Mexico.

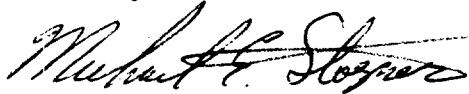
Dear Ms. Bradfield:

The NM Oil Conservation Division has reviewed your application dated May 24, 1989, for an unorthodox location for the above-identified well, and has concluded that your application cannot be approved administratively. We are therefore returning your application to you at this time.

Should you still wish to have this application considered, you may re-file the application and request an examiner hearing. If you so elect, please be prepared to submit evidence regarding the topographic conditions, preferably with testimony from the Bureau of Land Management; the feasibility of directional drilling and provisions for a restriction on production in order to protect correlative rights. Notice should be given as required in General Rule 1207.

If you should have any questions, please feel free to call.

Sincerely,



Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
William J. LeMay
Victor T. Lyon

MERIDIAN OIL

Copy sent to ...

Stamps head

May 24, 1989

Mr. William LeMay
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87504

MAY 3
CALC

Dear Mr. LeMay:

This is a request for administrative approval for an unorthodox gas well location in the Basin Fruitland Coal Pool.

It is intended to locate the Meridian Oil Inc. Frost #500 at 1040' from the North line and 130' from the East line of Section 26, T-27-N, R-10-W, San Juan County, New Mexico.

This non-standard location is at the request of the Bureau of Land Management per the attached letter.

A copy of this application is being submitted to all offset operators by certified mail with a request that they furnish your Santa Fe office with a Waiver of Objection, and return one copy to this office.

Plats showing the proposed well location and the terrain in Section 26, along with an ownership plat, are attached.

Sincerely yours,



Peggy Bradford

encl.

WAIVER

Amoco Production hereby waives objection to Meridian Oil Inc.'s application for an unorthodox location for their Frost #500 as proposed above.

By: _____ Date: _____

xc: Amoco Production

326 4700

9/23/89

Spoke w Ron Ellsworth - on site indicator w/ B. 1.1
about location, which was chosen because of the
east side. Desired to have it about 1000' from
the area and out of site, a knoll exist with the
line of site with the area. One of the requirements will be
an educational sign on a nature trail describing
the location.

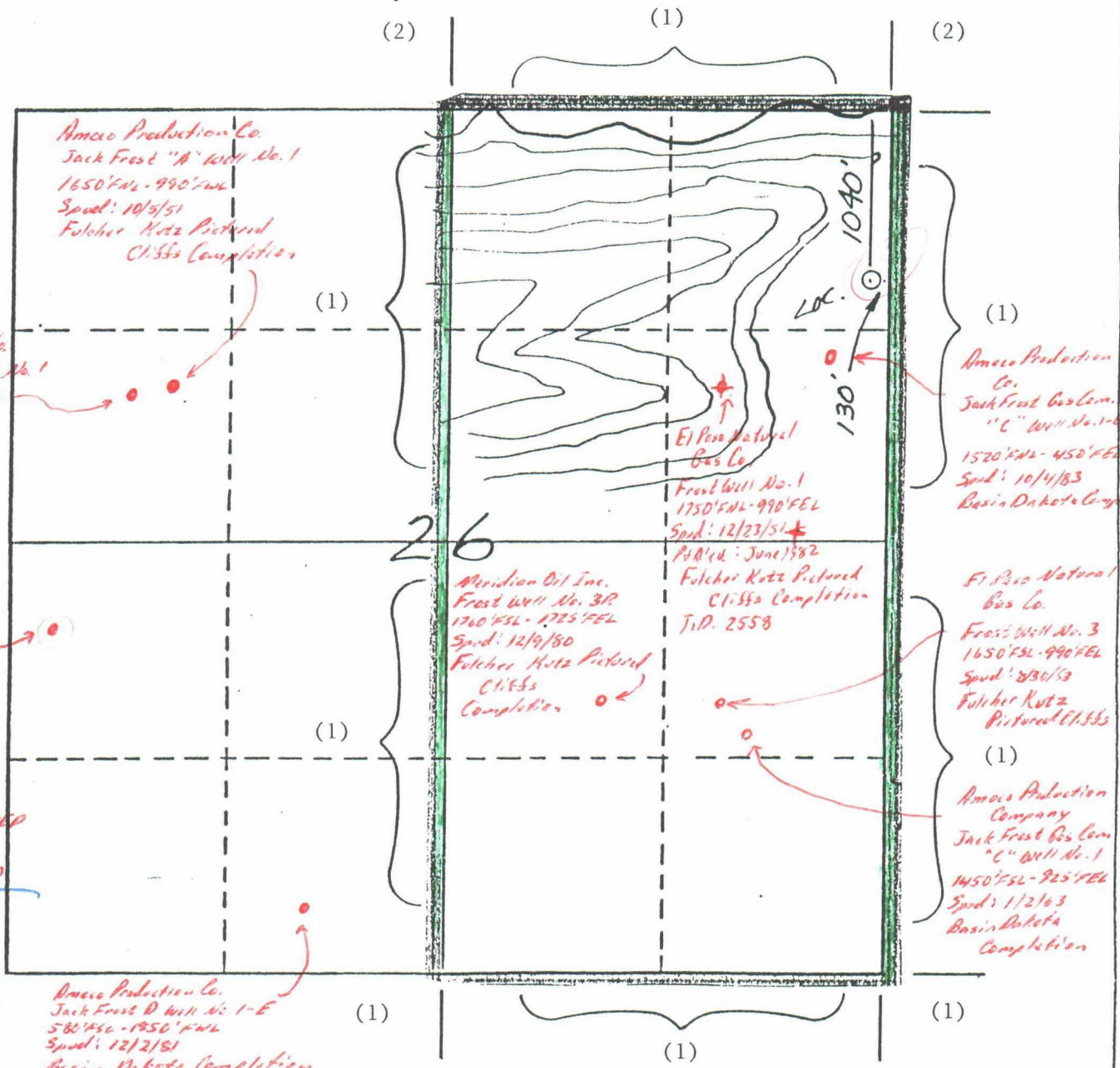
MERIDIAN OIL INC

Well Name Frost #500

Footage 1040' FNL; 130' FEL

APPLICATION FOR NON-STANDARD LOCATION

County San Juan State New Mexico Section 26 Township 27N Range 10W



Remarks

- 1) Meridian Oil Inc.
- 2) Amoco Production Company

S/2 desubstair

SF-077931 (WC)
3162.5-1(a) (019)

MAY 09 1989

Meridian Oil Incorporated
Attn: Mr. Ray Owens
P. O. Box 4289
Farmington, NH 87499

Dear Mr. Owens:

This is to request that Meridian use the unorthodox location (original staking in T. 27 N., R. 10 W., sec. 26, 1040' PNL, 130' FEL) on the Frost Com 500 well, lease No. SF-077951 located in the Angel Peak Recreation Area.

The on-site inspection for the orthodox location at T. 27 N., R 10 W., sec 26, 2510' PNL, 790' FEL, on March 14, 1989 resulted in the finding of potential impacts to recreationists in the nearby campground. This location is within 200 feet of the campground in a hilly wooded area crisscrossed with drainages. The area has not previously been disturbed and is presently in a natural condition.

The unorthodox well site lies on a slightly sloped unwooded area, where access via existing routes to operating wells are present. This location is within 400 feet of the campground, but is visually screened by a topographic buffer.

The potential impacts to the vegetative, soil, wildlife, watershed, visual, and recreational resources would be greatly reduced from well development activities on the unorthodox location.

We are sure that you, based upon the above facts, will agree that the unorthodox location is preferred. If you need any support with the New Mexico Oil and Gas Commission, please contact me at (505) 327-5344.

Sincerely,

/s/ John L. Keller

FOR
Ron Fellows
Area Manager

cc: NMOGC, 1000 Rio Brazos Road, Artec, NH 87410
NMOGC, State Land Office Building, P. O. Box 2088, Santa Fe, NH 87501
Well file Fluids Suspense (Ellsworth) 019:DEllsworth:cmg:5/09/89

All distances must be from the outer boundaries of the Section.

Operator Meridian Oil Inc.		Lease Frost Com (SF-077951)		Well No. 500
Unit Letter A	Section 26	Township 27 North	Range 10 West	County San Juan
Actual Footage Location of Wells 1040 feet from the North line and 130 feet from the East line				
Ground Level Elev. 6655	Producing Formation Fruitland Coal	Pool Basin	Dedicated Acreage: 320.00	

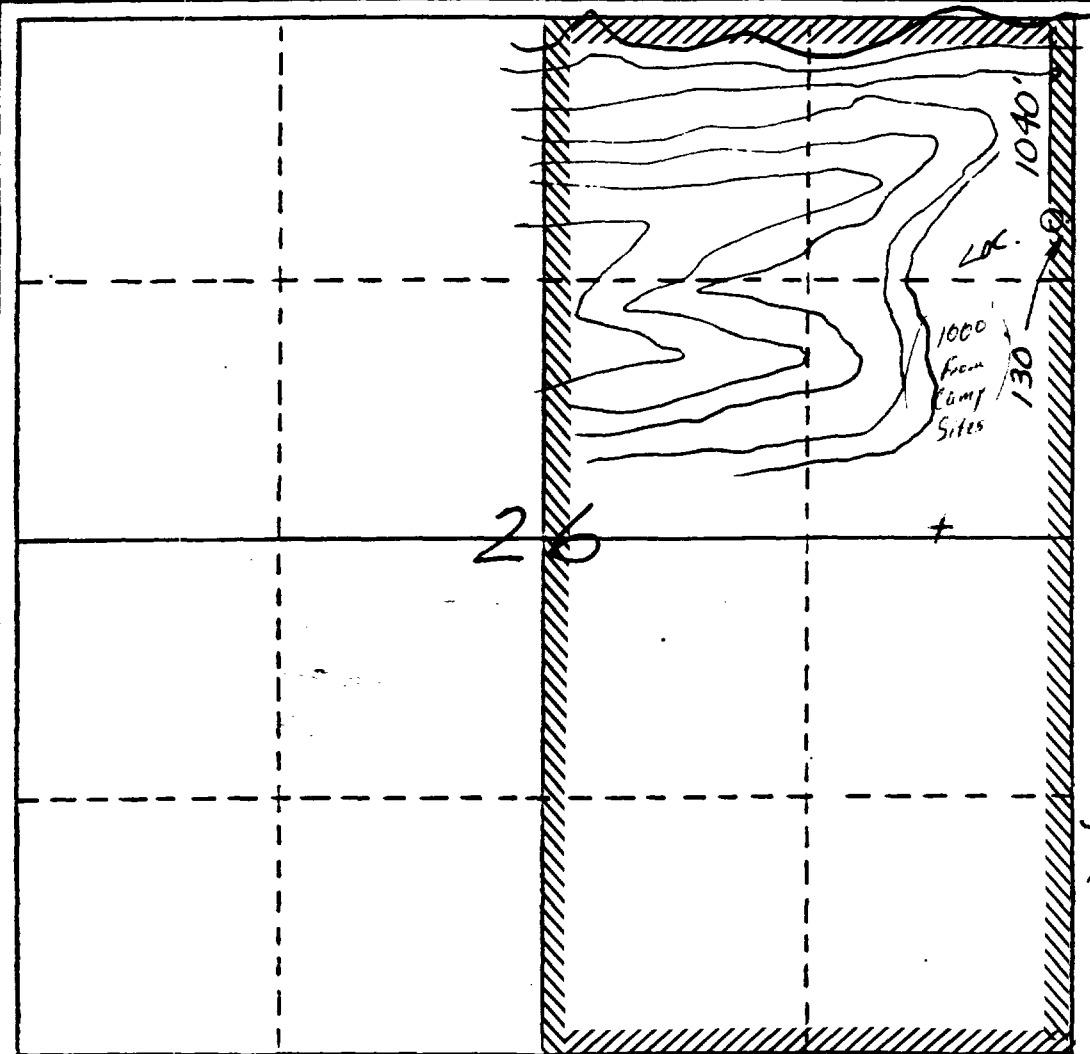
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation Communitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.

* Note: Non-standard due to terrain and existing locations.

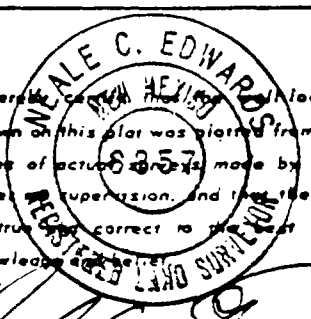


CERTIFICATION

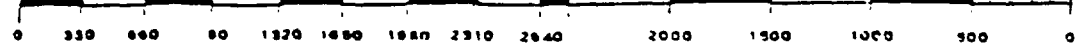
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name Regulatory Affairs
Position Meridian Oil Inc.
Company
Date

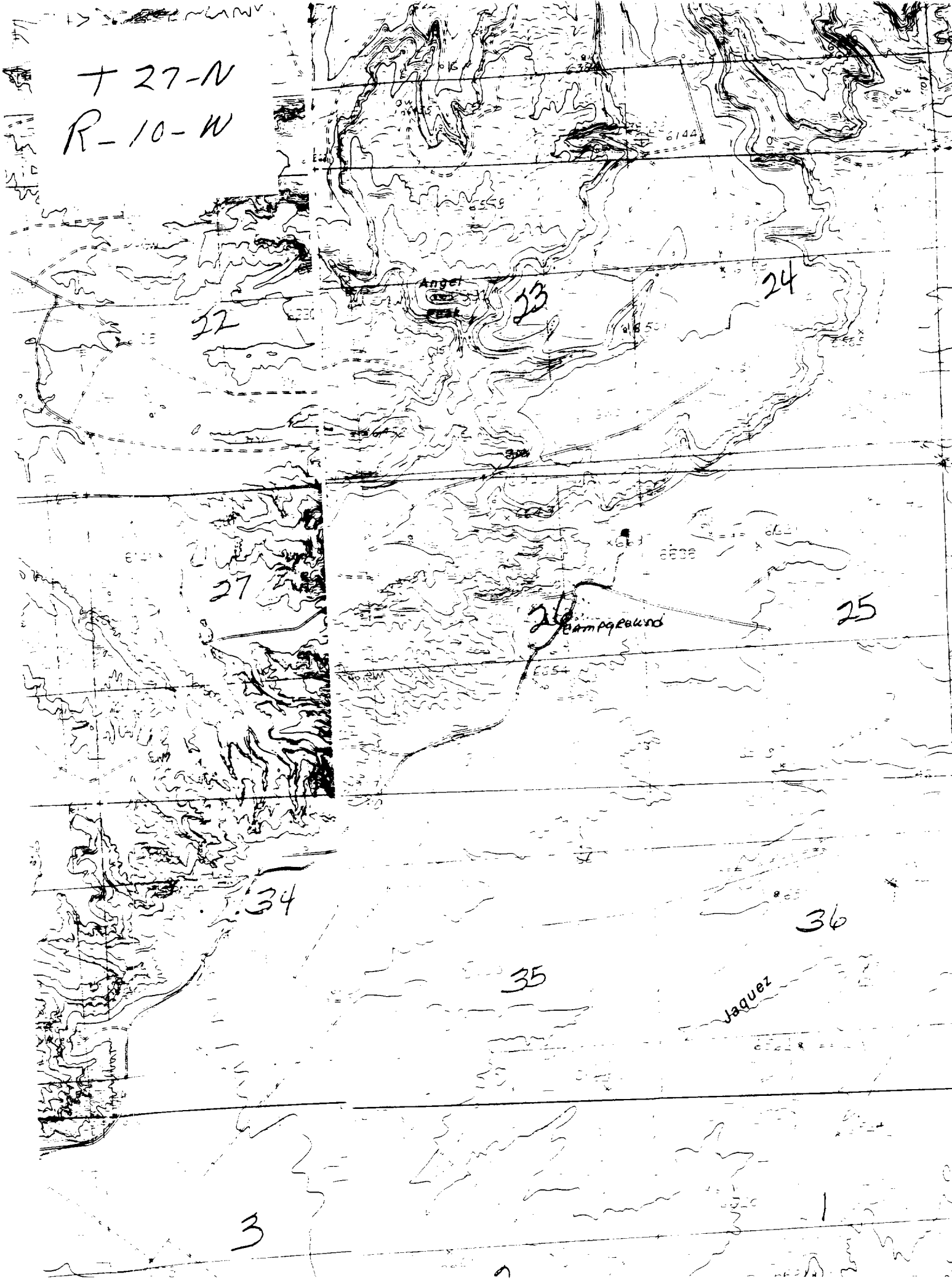
I hereby certify that the location shown on this plat was plotted from field notes of actual surveys made by me under supervision, and that the same is true and correct to the best of my knowledge and belief.



Date Surveyed 10-12-88
Registered Professional Engineer and/or Land Surveyor
Neale C. Edwards
Certificate No. 8257



T 27-N
R-10-W



22

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24

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1

2



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

September 20, 1990

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

Kellahin, Kellahin & Aubrey
P.O. Box 2265
Santa Fe, NM 87504-2265

Attention: W. Thomas Kellahin
General Counsel for Meridian Oil, Inc.

*RE: Unorthodox coal gas well location request dated
September 17, 1990. Frost Well No. 500 to be
drilled 1040' FNL - 130' FEL (Unit A) of Section
26, Township 27 North, Range 10 West, NMPM,
Basin-Fruitland Coal Gas Pool, San Juan County,
New Mexico.*

Dear Mr. Kellahin:

In reviewing the subject application to be set for the hearing on the October 17, 1990 docket, it would appear that there is an overlap in the dedicated acreage in the Basin-Fruitland Coal Gas Pool in this Section. The existing coal gas Meridian Oil, Inc. Graham Well No. 1, located 2150 feet from the South line and 390 feet from the West line (Unit L) of said Section 26, is currently dedicated to the S/2 of the Section and the proposed Frost Well No. 500 is to be dedicated to the E/2 of this section. So that I may proceed in preparing the October 17th docket, please inform me if the proposed E/2 dedication is correct or needs to be changed.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Aztec
Meridian Oil, Inc. - Farmington
US Bureau of Land Management - Farmington

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Submittal to Approver
District Office
State License # 4 copies
Fee License # 3 copies
DISTRICT I
P.O. Box 1948, Hobbs, NM 87400
DISTRICT II
P.O. Box 1000, Lordsburg, NM 87040
DISTRICT III
1000 Red Station Rd., Alamogordo, NM 87001

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

December 29, 1989

POST OFFICE BOX 3088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-3600

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

Attention: Peggy Bradfield

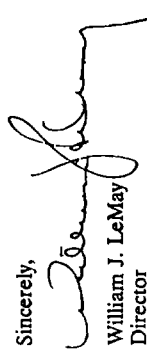
Administrative Order NSL-2742

Dear Ms. Bradfield:

Reference is made to your application of December 20, 1989 for a non-standard coal gas well location for your existing Graham Well No. 1 located 2150 feet from the South line and 390 feet from the West line (Unit L) of Section 26, Township 27 North, Range 10 West, N10PM, Basin Fruitland Coal (Gas) Pool, San Juan County, New Mexico, which is presently completed in the Fulcher Pictured Cliffs Pool. The S/2 of said Section 26 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 the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool as promulgated by Division Order No. R-8768, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,


William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington

WELL LOCATION AND ACREAGE DEDICATION PLAT
All dimensions must be from the center of the well to the center of the section.

Operator	Meridian Oil Inc.		County	Graham	Well No.	1
Unit Name	Section	Township	Range	County	San Juan	
	L 26	27N	10W			
Actual Spacing	feet from the South		feet from the West			
6253'	390		320.0			
Actual Spacing	feet from the South		feet from the West			
6253'	390		320.0			
Actual Spacing	feet from the South		feet from the West			
6253'	390		320.0			

1. If more than one hole is dedicated to the well, estimate each and identify the ownership thereof (both as to spacing interest and royalty).

2. If more than one hole is dedicated to the well, have the names of all owners been established by communication.

3. If more than one hole is dedicated to the well, have the names of all owners been established by communication.

4. If more than one hole is dedicated to the well, have the names of all owners been established by communication.

5. If more than one hole is dedicated to the well, have the names of all owners been established by communication.

6. If more than one hole is dedicated to the well, have the names of all owners been established by communication.

7. If more than one hole is dedicated to the well, have the names of all owners been established by communication.

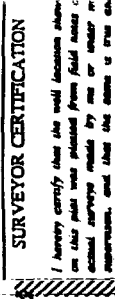
8. If more than one hole is dedicated to the well, have the names of all owners been established by communication.

9. If more than one hole is dedicated to the well, have the names of all owners been established by communication.

10. If more than one hole is dedicated to the well, have the names of all owners been established by communication.

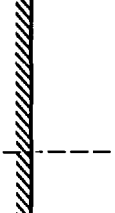
OPERATOR CERTIFICATION

I hereby certify that the well location shown on this plat was obtained from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

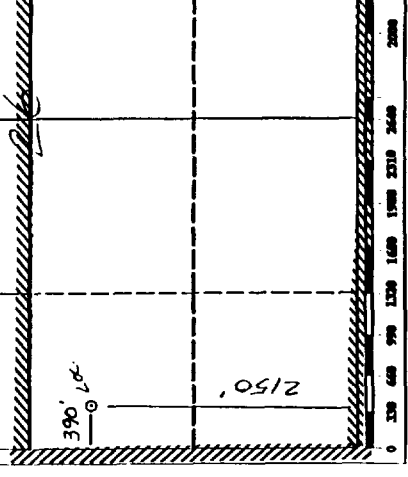
Signature: 
Peggy Bradfield
Regulatory Affairs
Meridian Oil Inc.
1-2-89

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was obtained from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Signature: 
E.C. Edwards
Professional Surveyor No. 857

Commission No. 6857



KELLAHIN, KELLAHIN AND AUBREY

ATTORNEYS AT LAW
EL PATIO BUILDING
117 NORTH GUADALUPE
POST OFFICE BOX 2265

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

W. THOMAS KELLAHIN
KAREN AUBREY

CANDACE HAMANN CALLAHAN

JASON KELLAHIN
OF COUNSEL

SANTA FE, NEW MEXICO 87504-2265

October 10, 1990

RECEIVED

OCT 10 1990

OIL CONSERVATION DIVISION

Mr. William J. LeMay
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87504

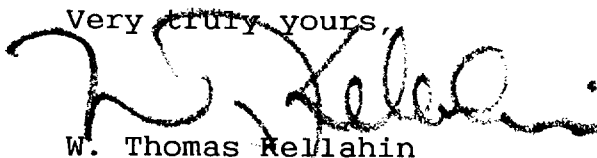
Re: NMOCD Case No. 10114
Application of Meridian Oil Inc.
for and Unorthodox Coal Gas
Location, Juan County,
New Mexico

Dear Mr. LeMay:

On behalf of Meridian Oil Inc., I filed an application for the above referenced case which is scheduled for Examiner hearing on October 17, 1990.

Meridian desires that this case be continued to the next available docket which is October 31, 1990.

Very truly yours,



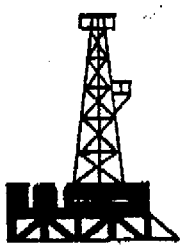
W. Thomas Kellahin

WTK/tic

cc: Mr. Alan Alexander
Meridian Oil Inc.
Post Office Box 4289
Farmington, New Mexico 87499-4289

Stamp in

TELECOPIER FORM



P.O. BOX 4289 Farmington, N.M. 87499-4289
3535 East 30th St.
Farmington, New Mexico 87401
(505) 326-9700



Telecopier Telephone: (505) 326-9781 (4th fl.)

TO: Jorn Kellahin

COMPANY: _____

TELECOPIER NUMBER: 982-2047

FROM: Alan Alexander

DATE: 11-7-90

TOTAL NUMBER OF PAGES 4
(Including this one): _____

SPECIAL INSTRUCTIONS: Information on
Tract #500. Information on
ROSA NSP to follow.

Please call (505) 326-9700 Ext. 9757 to confirm transmission.

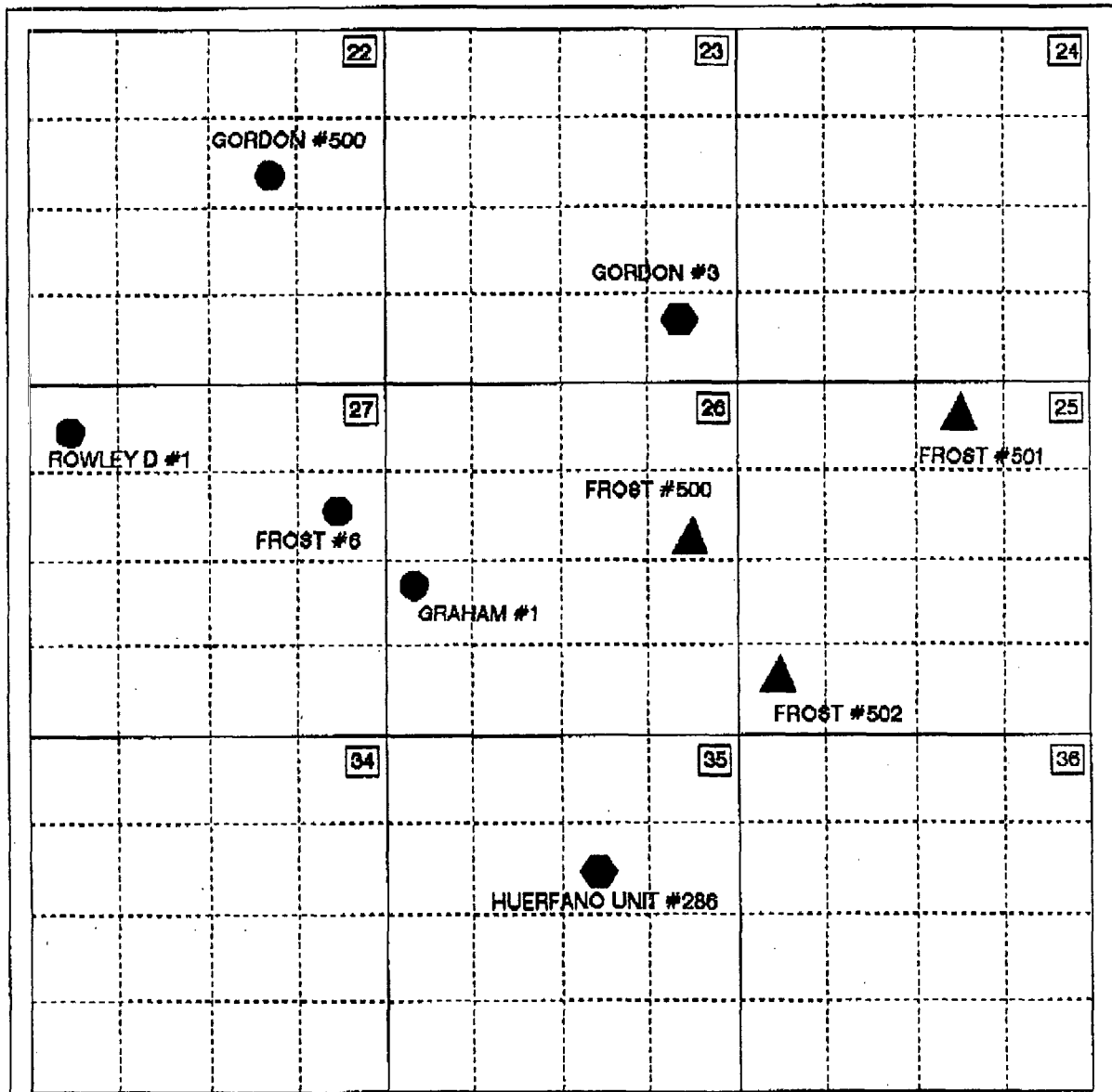
MERIDIAN OIL**Memorandum****To:** J. E. Craddock**Date:** November 5, 1990**From:** J. W. Caldwell**Location:** Farmington, NM
Doc. #877**Subject:** Frost #500 Cost Estimates
Vertical vs. Directional






We have reviewed the cost estimates for drilling the above well vertically and directionally. Based on our review, we maintain that the higher cost of location and road construction for the directional well is a result of the following:

- 1) A larger location to accommodate the larger pits, additional equipment and personnel required for a directional well;
- 2) Additional surveys and inspection time and archaeological reports needed to find a legal location, and when that fails, stake the non-standard location. This involved three location moves in an effort to find final location due to BLM/Archaeological/NMOCD stipulations.

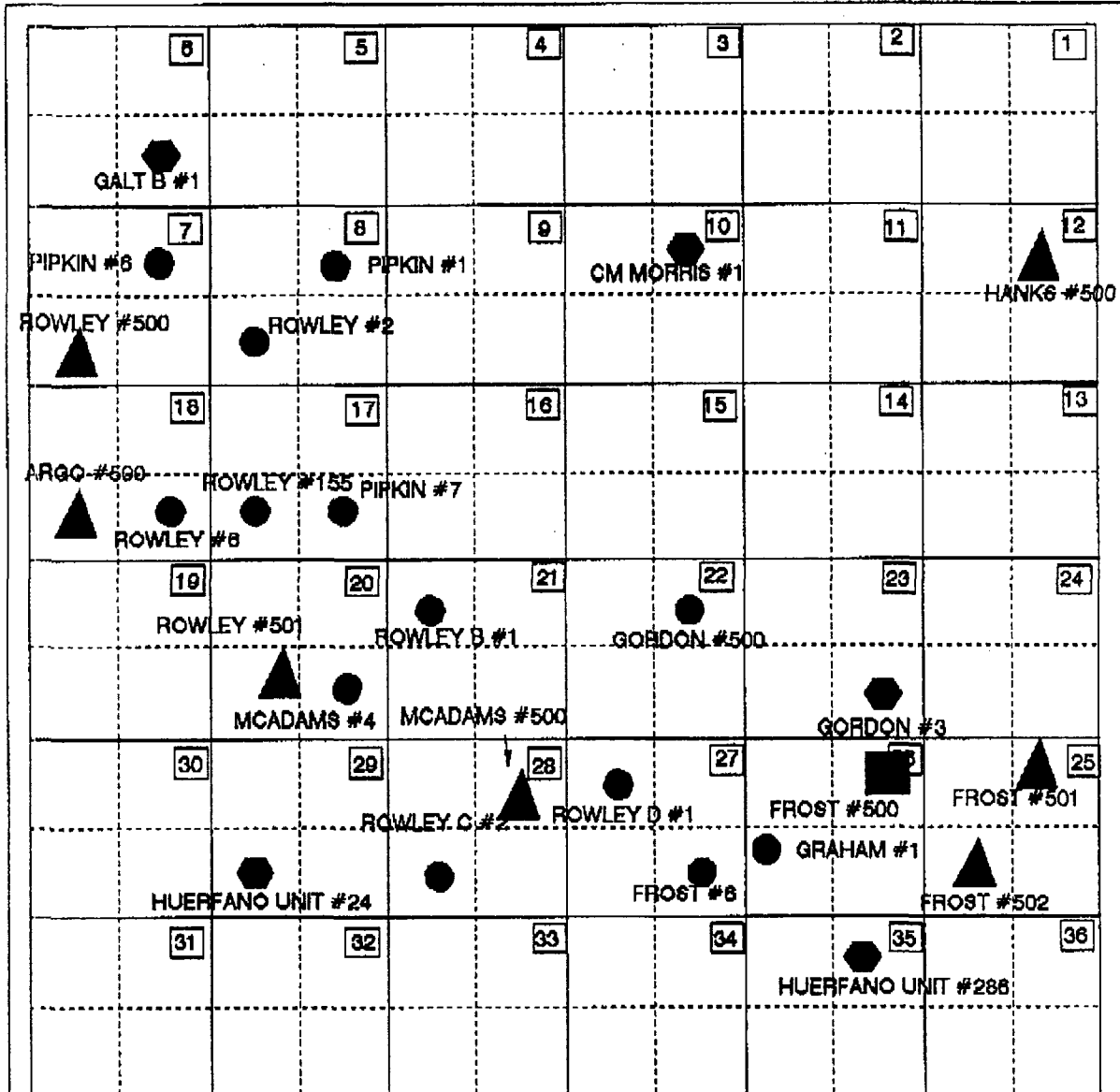







CAJ/adw



-  1990 PROPOSED WELL
-  COMPLETED, TIED-IN
-  COMPLETED, NOT TIED-IN
-  WELLNAME
- 

MERIDIAN OIL					
AREA ROWLEY AREA					
LOCATION 9W/NE-28-27N-10W					
TYPE OF MAP FROST #500					
CONTOURED				C.I.	
BY	DATE	REVISED BY	DATE	REFERENCE	DATE
NOTES					



-  REFERENCED WELL
-  COMPLETED, TIED-IN
-  COMPLETED, NOT TIED-IN
-  1990 PROPOSED WELLS
-  WELLNAME

MERIDIAN OIL					
AREA T-27-N R-10-W					
LOCATION SW/NE-26-27N-10W					
TYPE OF MAP FROST #500					
CONTOURED				C.I.	
BY	DATE	REVISION BY	DATE	REFERENCE	DATE
ERB					
NOTES					

KELLAHIN, KELLAHIN AND AUBREY

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

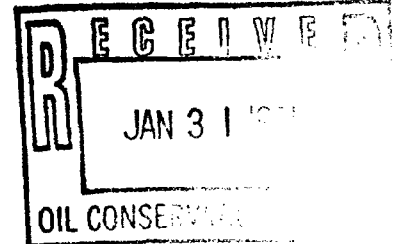
W. THOMAS KELLAHIN
KAREN AUEREY

CANDACE HAMANN CALLAHAN

JASON KELLAHIN
OF COUNSEL

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

January 30, 1991



Mr. Michael E. Stogner
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87504

Re: Application of Meridian Oil Inc.
for an Unorthodox Coal Gas Well,
San Juan County, New Mexico
NMOCD Case No. 10114

Dear Mr. Stogner:

On behalf of Meridian Oil Inc. and in accordance with your request at the hearing held on October 31, 1990, please find enclosed a proposed order for entry in this case.

Very truly yours,

A handwritten signature in dark ink, appearing to read "W. Thomas Kellahin". The signature is fluid and cursive.

W. Thomas Kellahin

WTK/tic
Enclosure

cc: Alan Alexander
Meridian Oil Inc.
Post Office Box 4285
Farmington, New Mexico 87499-4285

P.S. Enclosed please find our disk on which you will find the proposed order entitled MERIDIAN.ORD. Please return the disk to this office at your convenience.

WTK

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 10114
ORDER NO. R-

APPLICATION OF MERIDIAN OIL INC.
FOR AN UNORTHODOX COAL GAS WELL
LOCATION, SAN JUAN COUNTY, NEW MEXICO

MERIDIAN OIL INC. PROPOSED
ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m.
on October 17 and October 31, 1990, at Santa Fe, New
Mexico, before Examiner Michael E. Stogner.

NOW, on this _____ day of January, 1991, the
Division Director, having considered the testimony, the
record and the recommendations of the Examiner, and
being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as
required by law, the Division has jurisdiction of this
cause and the subject matter thereof.

CASE NO. 10114
ORDER NO. R-
Page 2

(2) The applicant, Meridian Oil Inc., seeks approval of its Frost No. 500 to be drilled at an unorthodox coal gas well location 2510 feet from the North line and 790 feet from the East line (Unit H) of Section 26, Township 27 North, Range 10 West, N.M.P.M., Basin-Fruitland Coal Gas Pool, San Juan County, New Mexico, with the ^NE/2 of said Section 26 dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

(3) Applicant is the working interest owner of the NE/4 and S/2 of Section 26, T27N, R10W.

(4) Amoco is the working interest owner in the NW/4 of Section 26 and by farmout has authorized Meridian to drill this well.

(5) The applicant originally sought the approval of the Area Manager for the BLM for a standard well location in the NE/4 of said Section 26 and was denied that location.

(6) An on-site inspection for this location was conducted by the appropriate federal surface

management agency officials for a final determination of the well site.

(7) During the on-site inspection, the US Bureau of Land Management requested the location be moved because the standard location had an adverse visual impact on the Angel Peak Recreational Campground.

(8) As an alternative the BLM has approved the requested unorthodox location.

(9) As a result of topographical restrictions and in order to obtain a drilling location for the NE/4 of said Section the applicant seeks the subject unorthodox well location.

(10) Directional drilling of the subject well is not economically feasible.

(11) The S/2 of Section 26 is currently dedicated to the Graham No. 1 well in Unit L of Section 26 which was recompleted into the Basin-Fruitland Coal Gas Pool at an unorthodox location and is operated by Meridian Oil Inc.

(12) Meridian was unable to obtain a voluntary agreement with Amoco in time to dedicate the W/2 of Section 36 to the Graham No. 1 well and in the alternative dedicated the S/2 of Section 26 to the well.

(13) Had the orientation of the spacing units for the development of Section 26 been a stand-up unit rather than a lay-down unit, the Frost No. 500 well would be at a standard well location in Section 26.

(14) In the interests of adequately developing all of Section 26 and keeping the subject well in the NE/4 of Section 26, this application should be approved.

(15) While the Frost No. 500 is at an unorthodox coal gas well location, unless approved, it is unlikely that the N/2 of the section can be developed for coal gas production.

(16) No interested party appeared at the hearing in objection to this unorthodox coal gas well location.

(17) The use of the surface where the well is actually located was approved by the appropriate federal surface management agencies.

(18) Approval of the application will afford the applicant the opportunity to produce its just and equitable share of the gas from the subject pool, will prevent the economic loss caused by the drilling of a directional well to a standard bottomhole coal gas location, avoid the augmentation of risk arising from the drilling of an excessive number of wells and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The application of Meridian Oil Inc. for an unorthodox coal gas well location for the Basin-Fruitland Coal Gas Pool is hereby approved for its Frost No. 500 well to be located 2510 from the North line and 790 feet from the East line (Unit H) of Section 26, Township 27 North, Range 10 West, N.M.P.M., San Juan County, New Mexico.

CASE NO. 10114
ORDER NO. R-
Page 6

(2) The N/2 of said Section 26 shall be dedicated to the above-described well forming a standard 320-acre gas spacing and proration unit for said pool.

(3) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LeMAY
Director

S E A L



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

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

February 4, 1991

Meridian Oil, Inc.
c/o Kellahin, Kellahin & Aubrey
P.O. Box 2265
Santa Fe, NM 87504-2265

Attention: W. Thomas Kellahin

*RE: Division Case No. 10114, heard October 31 and November 14, 1990.
Frost Well No. 500, unorthodox coal gas well location 2510' FNL - 790'
FEL (Unit H), Section 26, Township 27 North, Range 10 West, NMPM,
San Juan County, New Mexico.*

Dear Mr. Kellahin:

In reviewing the transcripts and evidence in this matter I find a reference to a letter from the US Bureau of Land Management to Meridian dated October 2, 1990 (see Exhibit 3). I do not believe this letter was included in any of the correspondence before the hearing or in the exhibits admitted at the hearing.

To complete the record in this matter, please submit a copy of this letter.

Should you have any questions, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner".

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Aztec
Oil Conservation Division - Robert G. Stovall, Santa Fe
US Bureau of Land Management - Farmington

KELLAHIN, KELLAHIN AND AUBREY

ATTORNEYS AT LAW
EL PATIO BUILDING
117 NORTH GUADALUPE
POST OFFICE BOX 2265

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

W. THOMAS KELLAHIN
KAREN AUBREY

CANDACE HAMANN CALLAHAN

JASON KELLAHIN
OF COUNSEL

SANTA FE, NEW MEXICO 87504-2265

FAX COVER SHEET

DATE: 2/4/91

NUMBER OF PAGES: 2
(including cover)

TIME: _____

TO: Michael Slogner

FROM: W. Thomas Kellahin

OF: OOD

OF: KK&A

FAX # 827-5741

FAX # 982-2047

RE: _____

Special Instructions:
 Confidential
 Urgent
 Please reply
 FYI

MESSAGE:



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA
1235 LAPLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401



IN REPLY REFER TO:

3162.5-1(a) (019)
SF-077951

MERIDIAN OIL

OCT - 3 1990

FARMINGTON, NEW MEXICO
REGULATORY

OCT 02 1990

Meridian Oil Incorporated
Attention: Mr. Charles Werner
P.O. Box 4289
Farmington, NM 87499

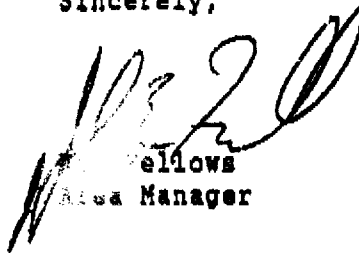
Dear Mr. Werner:

This is to request that Meridian use the following location for the placement of their Frost Com 500 Well, Lease No. SF-077951, T. 27 N., R. 10 W., Section 26, 2510' FNL and 790' FEL. This proposed location is in the Angel Peak Recreation Area. Enclosed is a map showing the recreation area and the proposed location for this well.

The proposed location is approximately 500 feet from the Angel Peak campground. This location is situated behind a small hill which would serve as a buffer to hide the location and any production equipment from visitors using the recreation area. By placing this proposed well at this location we feel that we can mitigate any negative impacts on the recreation area.

If we can help in any other way to support your non-standard proposal for this well with No. please contact Bruce Flinn or Tom Ellsworth at (505) 327-5344.

Sincerely,



Bruce Flinn
Area Manager

Enclosure



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

February 12, 1991

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

Mr. Thomas Kellahin
Kellahin, Kellahin & Aubrey
Attorneys at Law
Post Office Box 2265
Santa Fe, New Mexico

Re: CASE NO. 10114
ORDER NO. R-9438

Applicant:

Meridian Oil, Inc.

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Division order recently entered in the subject case.

Sincerely,

Florene Davidson

FLORENE DAVIDSON
OC Staff Specialist

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD x

Other _____
