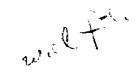
STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS

February 5, 1990

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

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

Attention: W. Thomas Kellahin

FEBO 6 1990 OIL CON. DIV. DIST. 3

RE: Allison Unit Well No. 103, NMOCD Case No. 9732, Division Order Nos. R-8995 and R-8995-A

Dear Mr. Kellahin:

Per your letter dated February 1, 1990, this matter will require readvertisement and reopening of Case No. 9732. The next available hearing date is March 7, 1990. Below is a proposed advertisement for that docket:

"CASE 9732 (Reopened and Readvertised)

Application of Meridian Oil, Inc. for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 401.20 acre non-standard gas spacing and proration unit comprising Lots 1, 2, 8, 9, 10 and 11, N/2 SE/4, and the SE/4 SE/4 of Section 10 and Lots 3 and 4 of Section 11, both in Township 32 North, Range 7 West, Basin Fruitland Coal Gas Pool. Said unit to be dedicated to the existing Allison Unit Well No. 103 located at a standard coal gas well location 1795 feet from the South line and 2270 feet from the West line (Unit K) of said Section 10, which is approximately 1/2 mile southwest of Mile Corner No. 248 located on the Colorado/New Mexico state line.

This case was originally heard at the August 23, 1989 hearing and was subsequently reopened at the October 4, 1989 hearing to correct an error in the subject well location, Order Nos. R-8995 and R-8995-A were issued as a result of both hearings. Due to inadvertence, the advertisement for both hearings and both orders contained an erroneous description of the non-standard gas proration unit.

IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVISEMENT."

Meridian Oil, Inc. c/o Kellahin, Kellahin & Aubrey February 5, 1990 Page 2

Should you have any questions or comments concerning this matter, please contact me. I apologize for this oversight and any inconvenience this may have caused. Thank you for your patience.

Sincerely,

Michael E. Stogner

Chief Hearing Officer/Engineer

MES/ag

Oil Conservation Division - Aztec Case File No. 9732 cc: