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

November 16, 1988

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

Attention: Peggy Bradfield

Administrative Order NSL-2605

Dear Ms. Bradfield:

Reference is made to your application of September 9, 1988 for a non-standard gas well location for your Hardie "B" Well No. 212 to be located 2415 feet from the South line and 1675 feet from the West line (Unit K) of Section 28, Township 29 North, Range 8 West, NMPM, to test the Fruitland (sand) formation, San Juan County, New Mexico. The SW/4 of said Section 28 shall be dedicated to the well forming a standard 160-acre gas spacing and proration unit for said formation.

By the authority granted me under the provisions of General Rule 104 F(I), the above-described unorthodox gas well location is hereby approved.

Sincerely, William J. LeMa Director

WJL/MES/ag

cc: Oil Conservation Division + Aztec New Mexico Oil & Gas Engineering Committee - Hobbs US Bureau of Land Management - Farmington