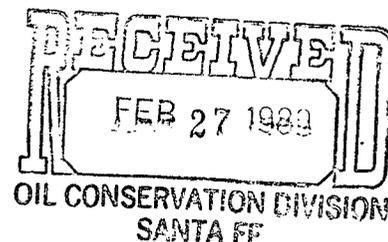


MERIDIAN OIL

February 25, 1989

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



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 Southland Royalty Company's Reid #705 at 1450' from the South line and 175' from the West line of Section 19, T-28-N, R-9-W, San Juan County, New Mexico.

The terrain, location of pipelines and other wells makes this location necessary.

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 19, along with an ownership plat, are attached.

Sincerely yours,

A handwritten signature in cursive script that reads "Peggy Bradfield".

Peggy Bradfield

encl.

WAIVER

_____ hereby waives objection to Southland Royalty Company's application for an unorthodox location for their Reid #705 as proposed above.

By: _____ Date: _____

xc: Tenneco Oil Company

Copy sent to E. Busch 3/1/89

MERIDIAN OIL

February 25, 1989

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New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87504

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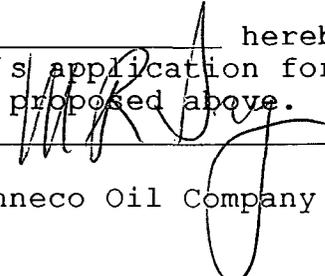


Peggy Bradfield

encl.

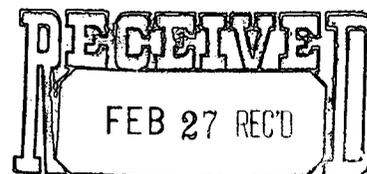
WAIVER

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By:  _____

Date: 3/29/89

xc: Tenneco Oil Company



TENNECO OIL Corporation
WRMD Joint Interest Co., Inc.

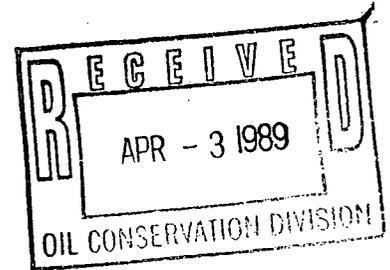


Amoco Production Company

Southern Division
1670 Broadway
P.O. Box 800
Denver, Colorado 80201
303-830-4040

T. D. Autry
Division Production Manager

March 28, 1989



New Mexico Oil Conservation Division
310 Old Santa Fe Trail Road
Santa Fe, New Mexico 87504

Attention: Mr. William LeMay

Waiver of Objection
Unorthodox Locations
Meridian Oil Inc.
San Juan County, NM

This is in response to Meridian's request for Waiver of Objection to three unorthodox well locations in the Basin Fruitland Coal Pool.

Enclosed are copies of Meridian's waiver requests, approved by Amoco Production Company, successor in interest to Tenneco Oil Company, for the following wells:

<u>Well Name</u>	<u>Location</u>	<u>Waiver Request</u>
Reid #704	NE-19-28N-9W	Unorthodox location
Reid #705	SW-19-28N-9W	Unorthodox location
Hanks #230	SW-7-27N-9W	Unorthodox location

JLS/oad

Enclosure

cc:
Meridian Oil Inc.

89006.JLS



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

GARREY CARRUTHERS
 GOVERNOR

Michael E. Stogner
 From: *Ernie Busch*
 March 27, 1989

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

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

Attention: Peggy Bradfield

RECEIVED
 MAR 29 1989
 OIL CON. DIV
 DIST. 3

RECEIVED
 APR - 4 1989
 OIL CONSERVATION DIVISION

RE: Administration Application for
 on Unorthodox Coal Gas Well
 Location; Southland Royalty
 Company; Reid Well No. 705,
 1450' FSL - 175' FWL, L-19-
 28N-9W, Basin Fruitland Coal
 (Gas) Pool, San Juan County,
 New Mexico.

Dear Ms. Bradfield:

Due to the extremity of your request and lack of sufficient evidence to show the necessity of this particular location, this application will be set for hearing on the next available Examiner's Docket scheduled for April 26, 1989.

Sincerely,

Michael E. Stogner

Michael E. Stogner
 Chief Hearing Officer

MES/ag

cc: Oil Conservation Division - Aztec ✓
 W. Thomas Kellahin

Dear Mike:

*I inspected this location
 on the ground and I
 concur with Meridian's
 application for an NSL.*

KELLAHIN, KELLAHIN and AUBREY
Attorneys at Law

W. Thomas Kellahin
Karen Aubrey

El Patio - 117 North Guadalupe
Post Office Box 2265

Telephone 982-4285
Area Code 505

Jason Kellahin
Of Counsel

Santa Fé, New Mexico 87504-2265

April 5, 1989

Mr. Michael E. Stogner
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

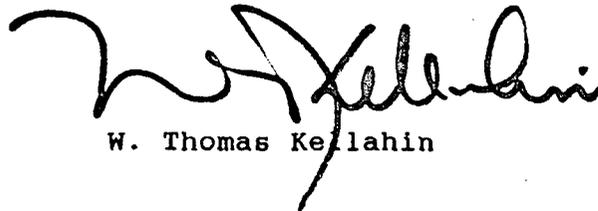
Re: Meridian Oil Inc. Applications
for Unorthodox and Administrative
Fruitland Coal Gas Locations for
Hanks Well No. 205 and
Reid Well No. 705

Dear Mr. Stogner:

I have received copies of your letters dated March 27, 1989, copies enclosed. Mr. John Caldwell of Meridian Oil Inc. informs me that each well has been subsequently relocated to standard well locations.

Accordingly, the Examiner's hearing for these two cases now docketed for April 26, 1989 can now be dismissed.

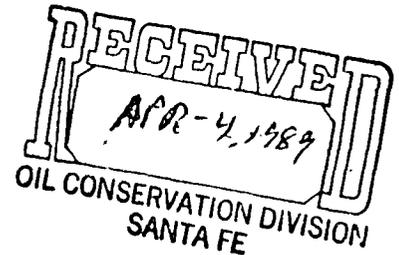
Very truly yours,



W. Thomas Kellahin

WTK/rs
Encl.

cc: Mr. John Caldwell - Meridian Oil Inc.
Mr. Alan Alexander - Meridian Oil Inc.





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

RECEIVED MAR 28 1989

March 27, 1989

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

Attention: Peggy Bradfield

RE: Administration Application for
on Unorthodox Coal Gas Well
Location; Southland Royalty
Company; Reid Well No. 705,
1450' FSL - 175' FWL, L-19-
28N-9W, Basin Fruitland Coal
(Gas) Pool, San Juan County,
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Dear Ms. Bradfield:

Due to the extremity of your request and lack of sufficient evidence to show the necessity of this particular location, this application will be set for hearing on the next available Examiner's Docket scheduled for April 26, 1989.

Sincerely,

Michael E. Stogner
Chief Hearing Officer

MES/ag

cc: Oil Conservation Division - Aztec
W. Thomas Kellahin ✓

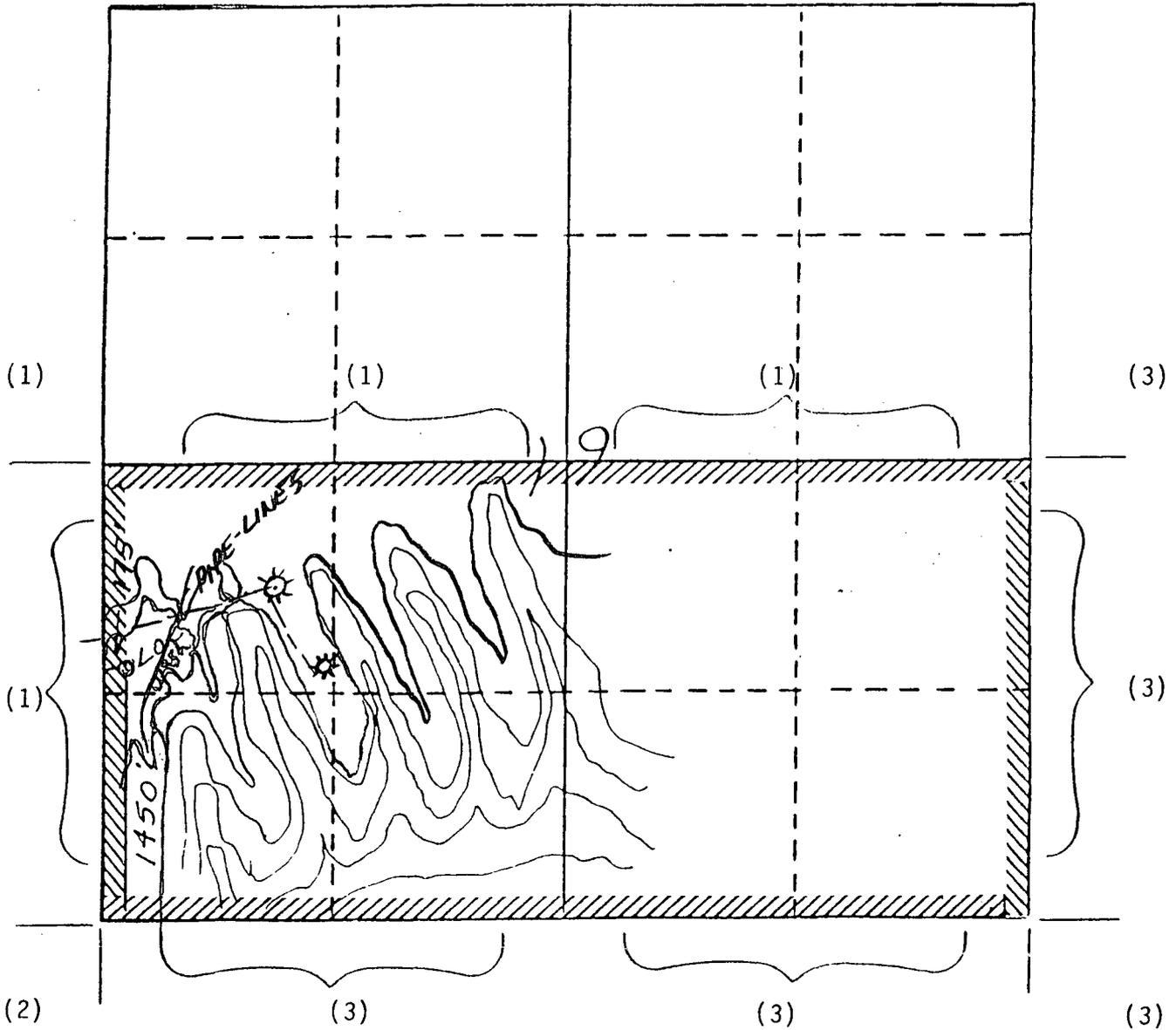
SOUTHLAND ROYALTY CO.

Well Name Reid #705, Fruitland Coal

Footage---- 1450' FSL; 175' FWL

APPLICATION FOR NON-STANDARD LOCATION

County San Juan State New Mexico Section 19 Township 28N Range 9W



REMARKS: OFFSET OPERATORS:

(1) Southland Royalty Company

(2) Meridian Oil Inc.

(3) Tenneco Oil Company

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

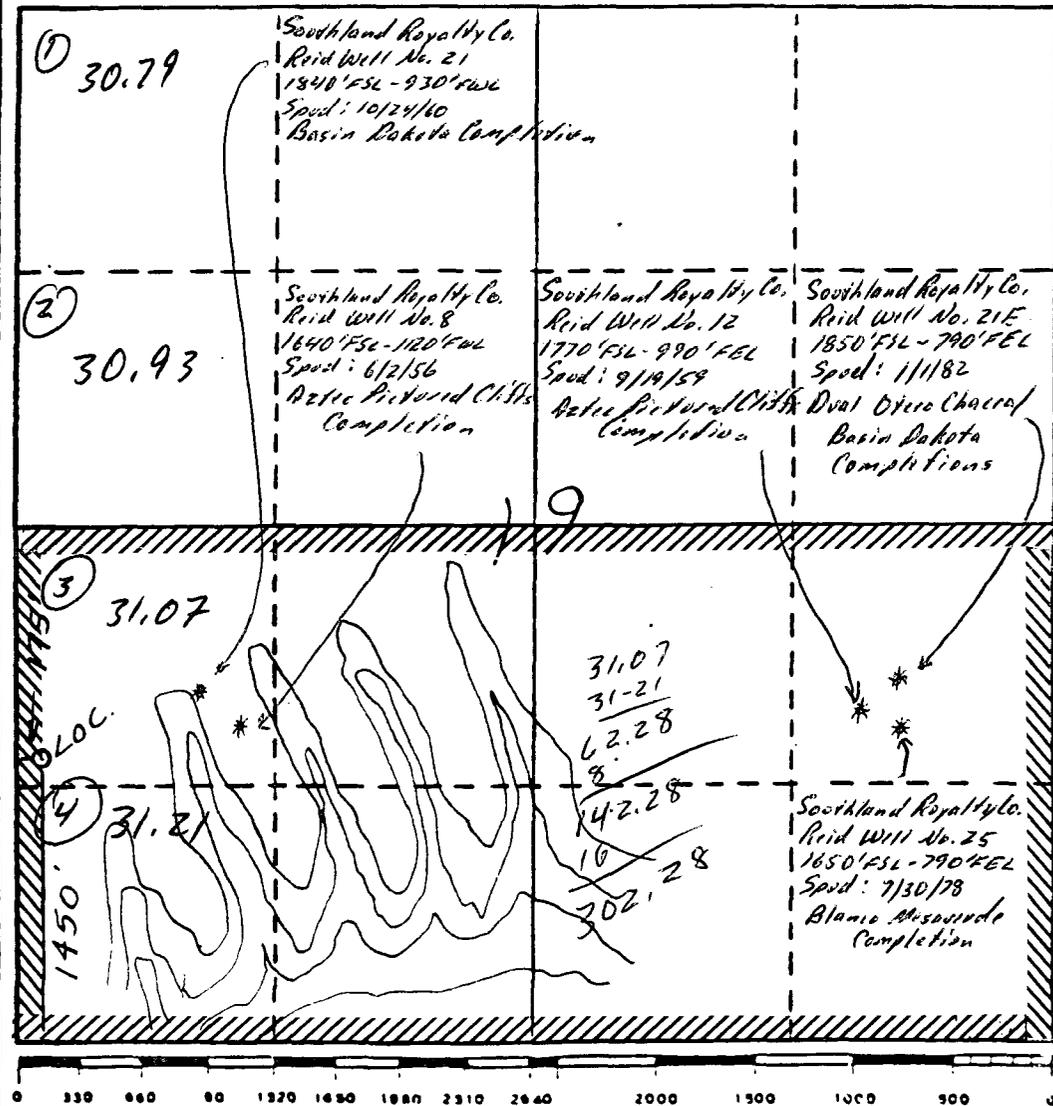
Operator Southland Royalty Company		Lease Reid (NM-01772A)		Well No. 705
Unit Letter L	Section 19	Township 28 North	Range 9 West	County San Juan
Actual Footage Location of Wells: 1450 feet from the South line and 175 feet from the West line				
Ground Level Elev. 5911'	Producing Formation Fruitland Coal	Pool Basin	Dedicated Acreage: 320.00 Acres	

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 _____

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 pipelines.



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
Southland Royalty Co.

Company

Date

I hereby certify that the location shown on this plat was planned 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.

NEALE C. EDWARDS
6857

Date Surveyed
11/27/88

Registered Professional Engineer and/or Land Surveyor

Neale C. Edwards

Certificate No.
6857



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
 OIL CONSERVATION DIVISION
 AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
 AZTEC, NEW MEXICO 87410
 (505) 334-6178

OIL CONSERVATION DIVISION
 BOX 2088
 SANTA FE, NEW MEXICO 87501

DATE 2-28-89

RE: Proposed MC _____
 Proposed DIIC _____
 Proposed NSL X _____
 Proposed SWD _____
 Proposed WFX _____
 Proposed PMX _____

RECEIVED

MAY - 4 1989
 OIL CONSERVATION DIV.
 SANTA FE

Gentlemen:

I have examined the application dated 2-28-89
 for the Mission Oil Lease Bolin A #201 M-34-29N-8W
 Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

Yours truly,

[Signature]