STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING

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

March 15, 1991

Merrion Oil & Gas Corp. P.O.Box 840 Farmington, NM 87499

Attention: Steven S. Dunn

Administrative Order NSL-2998

Dear Mr. Dunn:

Reference is made to your application dated March 14, 1991 for a non-standard oil well location for your Federal 28 Well No. 2 to be located 1800 feet from the South line and 1450 feet from the East line (Unit J) of Section 28, Township 20North, Range 5West, NMPM, Undesignated Ojo Encino-Entrada Pool, McKinley County, New Mexico. The NW/4 SE/4 of said Section 28 shall be dedicated to the well forming a standard 40-acre oil spacing and proration unit for said pool.

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

Sincerely,

William J. LeMay

Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec

U.S. BLM - Farmington