## 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

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October 24, 1991

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

Attention: Peggy Bradfield

Administrative Order NSL-3070

Dear Ms. Bradfield:

Reference is made to your application dated October 17, 1991 for a non-standard coal gas well location for your San Juan 24-7 Unit Well No. 543 to be located 480 feet from the South line and 680 feet from the West line (Unit M) of Section 3, Township 29 North, Range 7 West, NMPM, Basin Fruitland Coal (Gas) Pool, Rio Arriba County, New Mexico. The W/2 equivalent of said Section 3 shall be dedicated to the well forming a standard 317.83-acre gas spacing and proration unit for said-pool.

By 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, as amended, the above described unorthodox coal gas well location is hereby approved.

Sincerely, WILLIAM J. LEMAY Director WJL/MES/jc

cc: Oil Conservation Division - Aztec USBLM - Farmington