State of New Mexico ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT Santa Fe. New Mexico 87505



OIL CONSERVATION DIVISION

DRUG FREF

January 11, 1995

Meridian Oil, Inc. Attention: Peggy Bradfield P.O. Box 4289 Farmington, New Mexico 87499-4289

Administrative Order NSL-3384-A

Dear Ms. Bradfield:

Reference is made to your application dated December 9, 1994 for an unorthodox Pictured Cliffs gas well location for your existing San Juan 30-6 Unit Well No. 66-R (API No. 30-039-25400), which was drilled in June, 1994 and completed in the Blanco-Mesaverde Pool at an unorthodox gas well location (approved by Division Administrative Order NSL-3384, dated April 28, 1994) 255 feet from the South line and 190 feet from the West line (Unit M) of Section 14, Township 30 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

It is our understanding that Meridian intends to dually complete said well in both the Pictured Cliffs formation and Blanco-Mesaverde Pool; and, pursuant to Division General Rule 104.B(2)(a) said well location is considered to be unorthodox for Pictured Cliffs gas production.

By the authority granted me under the provisions of Division General Rule 104.F(1), the abovedescribed unorthodox Pictured Cliffs gas well location is hereby approved.

Further, all provisions of said original Order NSL-3384 shall remain in full force and affect until further notice.

Sincerely, Sincerely, William J. LeMay William J. LeMay Director WJL/MES/kv cc: Oil Conservation Division - Aztec U. S. Bureau of Land Management - Farmington File: NSL-3384 VILLAGRA BUILDING - 408 Galisteo Forestry and Resources Conservation Division P.O. Box 1948 87504-1948 827-5830 Park and Recreation Division P.O. Box 1948 87504-1147 827-7465

2040 South Pacheco Office of the Secretary 827-5950 Administrative Services 827-5925 Energy Conservation & Management 827-5900 Mining and Minerals 827-5970 Oil Conservation 827-7131