



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

June 4, 1996

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

Administrative Order NSL-3677

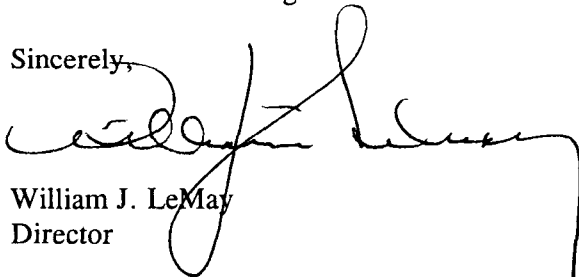
Dear Ms. Bradfield:

Reference is made to your application dated May 30, 1996 for a non-standard Blanco-Mesaverde gas well location 1839 feet from the South line and 697 feet from the East line (Unit I) of Section 24, Township 28 North, Range 11 West, NMPM, San Juan County, New Mexico, for your existing Angel Peak "B" Well No. 45 (API No. 30-045-25668), which was drilled at a standard oil well location in 1983 and completed in the Armenta-Gallup Oil Pool.

It is our understanding that the Gallup interval will be temporarily abandoned and said well is to be recompleted to the Blanco-Mesaverde Pool and, pursuant to the "*General Rules For The Prorated Gas Pools of New Mexico/Special Rules and Regulations For The Blanco-Mesaverde Pool*", as promulgated by Division Order No. R-8170, as amended, said location is unorthodox. Further, the E/2 of said Section 24 shall be dedicated to the well to form a standard 320-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of **Rule 2(d)** of said special pool rules, the above-described unorthodox gas well location is hereby approved.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington