STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

July 27, 1993

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

DOUG FRE

Meridian Oil, Inc. P.O. Box 51810 Midland, TX 79701-1810

Attention: Donna J. Williams

Administrative Order NSL-3287

Dear Ms. Williams:

Reference is made to your application dated June 29, 1993 for a non-standard gas well location for the Rhodes "A" Well No. 3 to be drilled 1140 feet from the North line and 660 feet from the East line (Unit A) of Section 22, Township 26 South, Range 37 East, NMPM, Rhodes-Yates-Seven Rivers Gas Pool, Lea County, New Mexico. The NE/4 of said Section 22 shall be dedicated to the well forming a standard 160-acre gas spacing and proration unit for said pool.

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

Sincerely, William J. LeM Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs US Bureau of Land Management - Carlsbad