



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

July 5, 2000

Lori Wrotenbery

Director

Oil Conservation Division

JS
Phillips Petroleum Company
5525 Highway 64 - NBU 3004
Farmington, New Mexico 87401
Attention: S. Scott Prather



Administrative Order NSP-1822

Dear Mr. Prather:

Reference is made to the following: (i) your application dated June 7, 2000; and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Phillips Petroleum Company's ("Phillips") request for approval of non-standard 217.76-acre gas spacing and proration unit consisting of the following acreage in both the Blanco-Mesaverde and Basin-Dakota Pools:

RIO ARRIBA COUNTY, NEW MEXICO
TOWNSHIP 30 NORTH, RANGE 5 WEST, NMPM
Irregular Section 13: Lots 1 through 4 and the W/2 E2 (E/2 equivalent).

Gas production from the Basin-Dakota Pool will to be dedicated to Phillips': (i) existing San Juan "30-5" Unit Well No. 104 (**API No. 30-039-23311**), located at a standard initial gas well location 1630 feet from the North line and 1000 feet from the East line (Unit B) of irregular Section 13; and (ii) proposed San Juan "30-5" Unit Well No. 104-E (**API No. 30-039-26417**), to be drilled at a standard infill gas well location 1850 feet from the South line and 1005 feet from the East line (Unit J) of irregular Section 13.

Gas production from the Blanco-Mesaverde Pool is to be dedicated to Phillips' proposed San Juan "30-5" Unit Well No. 104-E, as described above.

This application has been duly filed under the provisions of Division Rules 605.B and 104.D (2).

By the authority granted me under the provisions of Division Rules 104.F (2) and 104.D (2) (b), the above-described 217.76-acre non-standard gas spacing and proration units in both the Blanco-Mesaverde and Basin-Dakota Pools are hereby approved.

Further, if applicable, both of the aforementioned San Juan "30-5" Unit Wells No. 104 and 104-E and both spacing units will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

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