STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



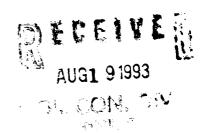
BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

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

June 28, 1993

Evergreen Operating Corporation c/o A.R. Kendrick P.O. Box 516 Aztec, NM 87410



Administrative Order NSL-3272

Dear Mr. Kendrick:

Reference is made to your applications dated June 2 and 3, 1993 for three non-standard Basin-Fruitland Coal gas well locations all to be drilled on U.S. Forest Service land in Sections 35 and 36, Township 31 North, Range 4 West, NMPM, Basin Fruitland Coal Gas Pool, Rio Arriba County, New Mexico.

Well Name and Number	Footage Location	Unit	Section	Dedicated 320-acre Tract
Chicosa "35" No. 1	300' FNL - 1331' FWL	С	35	N/2
Chicosa "36" No. 1	1174' FNL - 790' FWL	D	36	Lots 1 and 2, W/2 NE/4 and NW/4 (N/2 equivalent, 319.12 acres)
Chicosa "36" No. 2	866' FSL - 1340' FEL	0	36	S/2 equivalent (320.12 acres)

By the 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 locations are hereby approved.

Administrative Order NSL-3272 Evergreen Operating Corporation June 28, 1993 Page 2

Sincerely,

William J. LeMas

Director

WJL/MES/amg

cc: Oil Conservation Division - Aztec

US Bureau of Land Management - Farmington

US Forest Service - Blanco, NM