STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

August 17, 1990

GARREY CARRUTHERS

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

Robert L. Bayless P.O. Box 168 Farmington, NM 87499

Attention: Kevin H. McCord

Amended Administrative Order NSL-2832

Dear Mr. McCord:

Reference is made to your application dated August 15, 1990 to include the Basin-Fruitland Coal Gas Pool in the provisions set forth by Division Administrative Order NSL-2832, dated July 27, 1990, which authorized your Jicarilla "459" Well No. 7 to be drilled at an unorthodox gas well location 140 feet from the South line and 1110 feet from the West line (Unit M) of Section 17, Township 30 North, Range 3 West, NMPM, to test the East Blanco Pictured Cliffs Pool, Rio Arriba County, New Mexico.

Upon review of your application it appears that a proper filing pursuant to 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 has been made. Therefore, NSL-2832 shall also apply to the Fruitland Coal zone as well as the East Blanco Pictured Cliffs Pool. The S/2 of said Section 17 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

It shall be further noted that the Jicarilla "459" Well No. 7 is to be renamed the Jicarilla "459-C" Well No. 2. Said original Order NSL-2832 shall remain in full force and effect in its entirety until further notice.

Sincerely. William J. LeMay Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec US Bureau of Land Management - Farmington