## STATE OF NEW MEXICO



## ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

October 18, 1990

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

Phillips Petroleum Company 4001 Penbrook Odessa, TX 79762

Attention: L. M. Sanders

Administrative Order NSL-2910

Dear Mr. Sanders:

Reference is made to your application dated September 29, 1990 for a non-standard coal gas well location for your San Juan 32-7 Unit Well No. 218 to be located 681 feet from the South line and 1311 feet from the West line (Unit M) of Section 5, Township 31 North, Range 7 West, NMPM, Basin Fruitland Coal (Gas) Pool, San Juan County, New Mexico.

The previously approved 324.39-acre (Division Order No. R-9305, Proration Unit No.4 on Exhibit "A") non-standard gas spacing and proration unit comprising the SW/4 SW/4 of Section 5, Lots 12, 14 and 15 and the S/2 SE/4 of Section 6; and Lot 5, N/2 NE/4, and SE/4 NE/4 of Section 7, Township 31 North, Range 7 West, NMPM, San Juan County, New Mexico, shall be dedicated to said well.

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, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

William J. LeMay

Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec

US Bureau of Land Management - Farmington

File: Case No. 10058