



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

July 6, 2000

Lori Wrotenbery
Director
Oil Conservation Division

Amoco Production Company
Western Gas Business Unit
P. O. Box 3092
Houston, Texas 77253-3092
Attention: Mary Corley

Administrative Order NSL-4481

Dear Ms. Corley:

Reference is the following: (i) your application dated June 14, 2000; and (ii) the New Mexico Oil Conservation Division's ("Division") records in Santa Fe: all concerning Amoco Production Company's ("Amoco") request for an off-pattern non-standard Basin-Fruitland coal gas well location for the proposed Gallegos Canyon Unit Well No. 562 to be drilled 2030 feet from the North line and 2440 feet from the West line (Lot 6/Unit F) of Section 22, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico. Lots 3, 4, 5, 6, 11, and 12 and the S/2 SW/4 (W/2 equivalent) of Section 22 is to be dedicated to this well in order to form a standard 318.97-acre stand-up gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool.

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 location is hereby approved.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

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