



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

June 7, 1996

Elm Ridge Resources, Inc.
P. O. Box 3936
Farmington, New Mexico 87499
Attention: Doug Endsley

Administrative Order NSL-477-A

Dear Mr. Endsley:

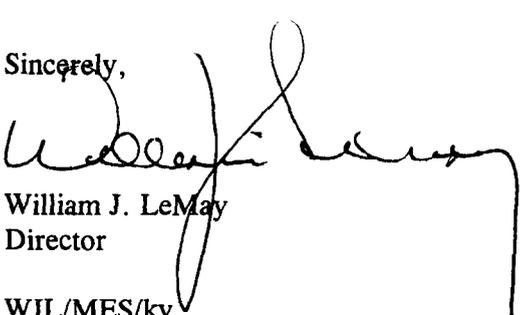
Reference is made to your application dated May 30, 1996 for a non-standard Basin-Fruitland coal gas well location for your existing G. H. Callow Well No. 6 (API No. 30-045-20733), which was drilled in 1971 and completed in the West Kutz-Pictured Cliffs Pool at an unorthodox gas well location for said Pictured Cliffs interval (approved by Division Administrative Order NSL-477, dated December 22, 1970), 2340 feet from the North line and 2420 feet from the East line (Unit G) of Section 28, Township 29 North, Range 13 West, NMPM, San Juan County, New Mexico.

It is our understanding that the Pictured Cliffs interval in said wellbore is abandoned and said well has been recompleted into the Basin-Fruitland Coal (Gas) Pool, which pursuant to the "*Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool*", as promulgated by Division Order No. R-8768, as amended, is also unorthodox.

By the authority granted me under the provisions of Rule 8 of said Order No. R-8768, as amended, the above-described unorthodox coal gas well location for the G. H. Callow Well No. 6 is hereby approved.

Said Original Order NSL-477 shall be placed in abeyance until further notice.

Sincerely,


William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec
U.S. Bureau of Land Management - Farmington
File: NSL-477