



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

April 11, 1989

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Nassau Resources, Inc.  
c/o Jerome P. McHugh & Associates  
P.O. Box 809  
Farmington, NM 87499-0809

Attention: Fran Perrin:

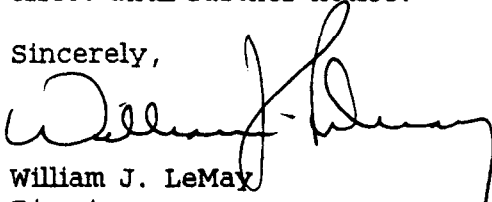
Amended Administrative Order NSL-2588

Dear Ms. Perrin:

Reference is made to your application of February 13, 1989 to amend Division Administrative Order NSL-2588 to include the Basin-Fruitland Coal (Gas) Pool. Said NSL-2588, dated October 4, 1988, authorized a non-standard gas well location for the Carracas Unit 36-A Well No. 1 to be drilled 430 feet from the North line and 800 feet from the East line (Unit A) of Section 36, Township 32 North, Range 5 West, NMPM, to test the Undesignated Cottonwood-Fruitland Pool, Rio Arriba County, New Mexico, the NE/4 of said Section 15 to be dedicated to said well forming a standard 160-acre gas spacing and proration unit for said pool.

By 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 well is hereby approved as an unorthodox coal gas well location. The E/2 of said Section 36 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool. Furthermore, other provisions of the original order shall remain in full force and effect until further notice.

Sincerely,

  
William J. LeMay  
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec  
New Mexico Oil & Gas Engineering Committee - Hobbs  
US Bureau of Land Management - Farmington