

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

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

November 15, 1988

Blackwood & Nichols Co.
P.O. Box 1237
Durango, CO 81302

Attention: William F. Clark
Operations Manager

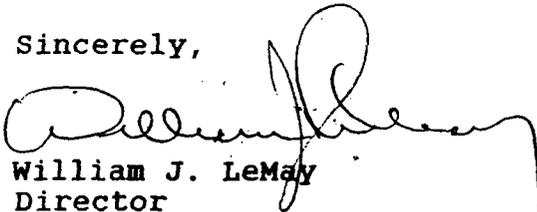
Administrative Order NSL-2604

Dear Mr. Clark:

Reference is made to your application of November 9, 1988 for a non-standard coal gas well location for your Northeast Blanco Unit Well No. 423 to be located 625 feet from the South line and 740 feet from the East line (Unit A) of Section 8, Township 30 North, Range 7 West, NMPM, Basin Fruitland Coal (Gas) Pool, Rio Arriba County, New Mexico. The E/2 of said Section 8 shall be dedicated to the well forming a standard 320-acre, more or less, gas spacing and proration unit.

By the authority granted me under the provisions of Rule 8 of 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
New Mexico Oil & Gas Engineering Committee - Hobbs
US Bureau of Land Management - Farmington