



STATE OF NEW MEXICO

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

January 26, 1989

Greenwood Holdings, Inc.
5600 South Quebec Street
Suit 150-C
Englewood, CO 80111

Attention: James P. Ryder, Operations Manager

Administrative Order NSL-2624

Dear Mr. Ryder:

Reference is made to your application of January 6, 1989 for a non-standard coal gas well location for your Kirtland Well No. 1 located at a previously approved unorthodox oil well location in the Cha Cha Gallup Oil Pool (Division Order No. R-5920) 1214 feet from the North line and 650 feet from the East line (Unit A) of Section 13, Township 29 North, Range 15 West, NMPM, Basin Fruitland Coal (Gas) Pool, San Juan County, New Mexico. It is our understanding that said well will be plugged back from its present Gallup Oil completion and recompleted in the Fruitland Coal Gas zone, whereby the equivalent N/2 of said Section 13 is to be dedicated to the well forming a standard 320-acre, more or less, gas spacing and proration unit for the 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, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

A handwritten signature in cursive script, appearing to read "W. J. LeMay".

WJL
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
Vic Lyon