

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

August 4, 1992

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

BHP Petroleum (Americas) Inc.
5847 San Felipe, Suite 3600
Houston, Texas 77057

Attention: C. Carl Kolbe

Administrative Order NSL-3145(NSP)

Dear Mr. Kolbe:

Reference is made to your application dated July 9, 1992 for a non-standard coal gas well location for your Gallegos Canyon Unit Well No. 413 to be located 1245 feet from the South line and 1020 feet from the East line (Unit P) of irregular Section 7, Township 28 North, Range 11 West, NMPM, Basin-Fruitland Coal (Gas) Pool, San Juan County, New Mexico. All of said Section 7 shall be dedicated to the well forming a non-standard 267.42-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rules 6 and 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 a non-standard gas proration unit are hereby approved.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. Lemay".

WILLIAM J. LEMAY
Director

WJL/MES/jc

cc: Oil Conservation Division - Aztec
U.S. BLM - Farmington