



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

September 25, 1992

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

Evergreen Operating Corporation  
c/o A.R. Kendrick  
P.O. Box 516  
Aztec, New Mexico 87410

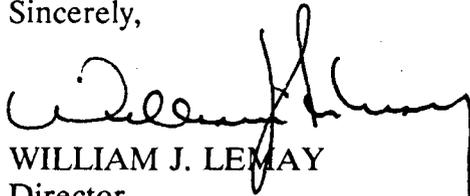
*Administrative Order NSL-3163*

Dear Mr. Kendrick:

Reference is made to your application on behalf of the operator Evergreen Operating Corporation by letter dated September 4, 1992 for a non-standard coal gas well location for the Chicosa 34 Well No. 2 to be located 215 feet from the North line and 780 feet from the West line (Unit D) of Section 34, Township 31 North, Range 4 West, NMPM, Basin Fruitland Coal (Gas) Pool, Rio Arriba County, New Mexico. The W/2 of said Section 34 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said 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, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,



WILLIAM J. LEMAY  
Director

WJL/MES/jc

cc: Oil Conservation Division - Aztec  
U.S. BLM - Farmington, New Mexico  
U.S. Forest Service - Blanco, NM