



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

December 17, 1992

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

Incline Reserves, Inc.
1603 S.W. 37th Street
Topeka, KS 66611

Attention: J.P. Garrett

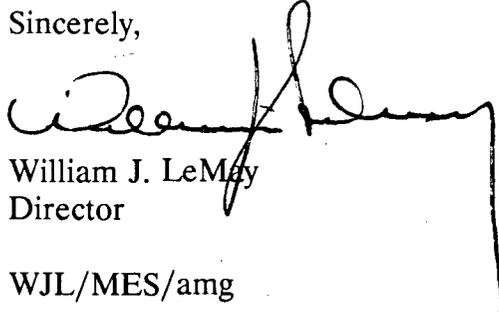
Administrative Order NSL-3209(NSP)

Dear Mr. Garrett:

Reference is made to your application dated November 19, 1992 for a non-standard coal gas well location for your Federal Com "7" Well No. 1 to be located 345 feet from the South line and 1025 feet from the West line (Unit M) of Irregular Section 7, Township 28 North, Range 8 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 298.76-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 and non-standard gas proration unit are hereby approved.

Sincerely,


William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington