



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

May 6, 1994

Texakoma Oil & Gas Corporation
c/o Permits West, Inc.
37 Verano Loop
Santa Fe, NM 87505

Attention: Mr. Brian Wood

Administrative Order NSL-3391

Dear Mr. Wood:

Reference is made to your application on behalf of the operator, Texakoma Oil and Gas Corporation, dated April 16, 1994 for a non-standard coal gas well location for the Mustang Flats Well No. 1 to be drilled 600 feet from the North and East lines (Unit A) of Section 20, Township 25 North, Range 13 West, NMPM, Basin Fruitland Coal Gas Pool, San Juan County, New Mexico. The E/2 of said Section 20 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,

A handwritten signature in black ink, appearing to read "William J. LeMay". The signature is written in a cursive style and is positioned above the typed name and title.

William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
Texakoma Oil and Gas Corporation - Mary Ratton