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

BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

July 21, 1994

Phillips Petroleum Corporation
5525 Highway 64, NBU 3004
Farmington, NM 87401

Attention: A.J. Kieke

Administrative Order NSL-3410

Dear Mr. Kieke:

Reference is made to your application dated June 9, 1994 for a non-standard coal gas well location for your San Juan 29-6 Unit Well No. 257R to be located 926 feet from the North line and 1229 feet from the West line (Unit D) of Section 9, Township 29 North, Range 6 West, NMPM, Basin Fruitland Coal Gas Pool, Rio Arriba County, New Mexico. The W/2 of said Section 9 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

It is my understanding that the subject well will replace the San Juan 29-6 Unit Well No. 257 located 981 feet from the South line and 2020 feet from the West line of said Section 9. The San Juan 29-6 Unit Well No. 257 will be converted to a pressure observation well upon issuance of this order.

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/amg

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