

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



October 12, 1994

BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

Amoco Production Company
P.O. Box 800
Denver, Colorado 80201

Attention: J. W. Hawkins

Administrative Order NSL-3432

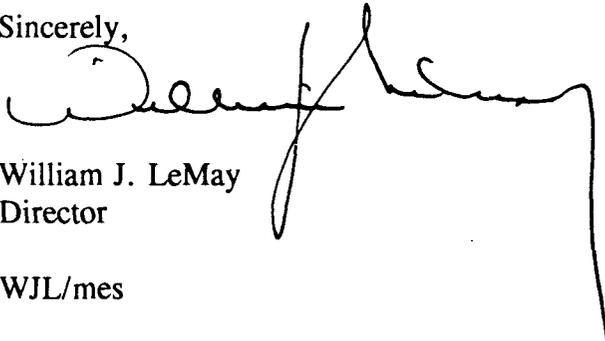
Dear Mr. Hawkins:

Reference is made to your application dated July 22, 1994 for a non-standard Basin-Fruitland coal gas well location for your existing Schwerdtfeger "A" Well No. 1 (API No. 30-045-11615) which was drilled in 1965 and completed in the Basin-Dakota Pool at a standard gas well location 1050 feet from the North line and 1510 feet from the West line (Unit C) of Section 36, Township 28 North, Range 9 West, NMPM, San Juan County, New Mexico.

It is our understanding that the Dakota interval will be properly plugged back and said well will be recompleted to the Basin-Fruitland Coal (Gas) Pool, which pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool, as promulgated by Division Order No. R-8768, as amended, is unorthodox. Further, lots 1 and 2, the NW/4, and the N/2 SW/4 (W/2 equivalent) of said Section 36 shall be dedicated to the well to form a standard 318.85-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of said Order No. R-8768, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,


William J. LeMay
Director

WJL/mes

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