



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

May 20, 1997

Holcomb Oil and Gas
P .O. Box 2058
Farmington, New Mexico 87499
Attention: W. J. Holcomb

Administrative Order NSL-3797

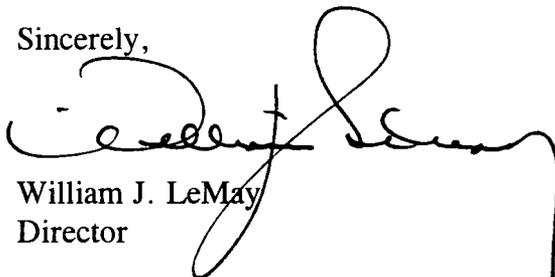
Dear Mr. Holcomb:

Reference is made to your application dated April 18, 1997 for a non-standard Basin-Fruitland coal gas well location for your existing Brookhaven "A" Well No. 2 (API No. 30-045-05215), which was drilled in 1957 and completed in the Bisti-Lower Gallup Oil Pool at a standard oil well location 790 feet from the South line and 1650 feet from the East line (Unit O) of Section 29, Township 25 North, Range 10 West, NMPM, San Juan County, New Mexico.

It is our understanding that this well is to be recompleted up-hole into 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 also unorthodox. Further, the S/2 of said Section 29 is to be dedicated to the well to form a standard 320-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/kv

cc: Oil Conservation Division - Aztec
U.S. Bureau of Land Management - Farmington