



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

April 20, 1998

Taurus Exploration U.S.A., Inc.
2198 Bloomfield Highway
Farmington, New Mexico 87401
Attention: Richard P. Corcoran

Administrative Order NSL-4011

Dear Mr. Corcoran:

Reference is made to your application dated April 8, 1998, for an unorthodox gas well location in both the Blanco-Mesaverde and Basin-Dakota Pools for your proposed San Juan "32-5" Unit Well No. 13-M to be drilled 1711 feet from the South line and 1295 feet from the East line (Unit I) of Section 25, Township 32 North, Range 6 West, NMPM, Rio Arriba County, New Mexico.

The E/2 of said Section 25 is to be dedicated to said well in order to form a standard 320-acre gas spacing and proration unit for both intervals.

By the authority granted me under the provisions of Rule 2(d) of the "*General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Blanco-Mesaverde Pool/Special Rules and Regulations for the Basin-Dakota Pool*," as promulgated by Division Order No. R-8170, as amended, the above-described unorthodox gas well location in both the Blanco-Mesaverde and Basin-Dakota Pools for the San Juan "32-5" Unit Well No. 13-M is hereby approved.

Sincerely,


Lori Wrotenbery
Director

LW/MES/kv

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