



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

June 7, 1999

**Phillips Petroleum Company**  
**5525 Highway 64 – NBU 3004**  
**Farmington, New Mexico 87401**  
**Attention: Scott Prather**

*Administrative Order NSL-4308*

Dear Mr. Prather:

Reference is made to your application dated May 14, 1999 for an exception to the well location requirements provided within the "Special Rules and Regulations for the Basin-Dakota Pool," as promulgated by New Mexico Oil Conservation Division ("Division") Order No. R-10987, for a non-standard infill gas well location in an existing standard 320-acre stand-up gas spacing and proration unit for the Basin-Dakota Pool comprising the E/2 of Section 33, Township 29 North, Range 6 West, NMPM, Rio Arriba County, New Mexico. This unit is currently dedicated to Phillips Petroleum Company's San Juan "29-6" Unit Well No. 87 (API No. 30-039-07492), located a standard initial gas well location 1500 feet from the North line and 880 feet from the East line (Unit H) of Section 33.

The application has been duly filed under the provisions of Division Rules 104.F and 605.B.

By the authority granted me under the provisions of Division Rule 104.F(2), the following described well to be drilled at an unorthodox infill gas well location in Section 33 is hereby approved:

**San Juan "29-6" Unit Well No. 87-M**  
**660' FSL & 2110' FEL (Unit O).**

Further, both of the aforementioned San Juan "29-6" Unit Well Nos. 87 and 87-M and existing gas spacing and proration unit will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,

Lori Wrotenbery  
Director

LW/MES/kv

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