

State of New Mexico  
**ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT**  
Santa Fe, New Mexico 87505



**OIL CONSERVATION DIVISION**



February 3, 1995

**BHP Petroleum (Americas) Inc.**  
1360 Post Oak Blvd. - Suite 500  
Houston, Texas 77056-3020

**Attention: Carl Kolbe**

*Administrative Order NSP-1170-A*

Dear Mr. Kolbe:

Reference is made to your application dated October 25, 1994 for a 271.32-acre non-standard gas spacing and proration unit consisting of the following acreage in the Basin-Fruitland Coal (Gas) Pool:

**SAN JUAN COUNTY, NEW MEXICO**  
**TOWNSHIP 28 NORTH, RANGE 12 WEST, NMPM**  
Irregular Section 10: All

It is our understanding that this unit is to be dedicated to your existing Gallegos Canyon Unit Well No. 295 (API No. 30-045-23995), which was drilled in 1980 and completed in the West Kutz-Pictured Cliffs Pool at a standard gas well location 1045 feet from the South line and 1075 feet from the West line (Unit M) of said Section 10, by Division Administrative Order NSP-1170, dated November 28, 1979, a 135.93-acre non-standard gas spacing and proration unit in the Pictured Cliffs interval was established and dedicated to the subject well.

It is also our understanding that the Pictured Cliffs zone will be properly plugged back and said well will 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 standard.

**VILLAGRA BUILDING - 408 Galisteo**

Forestry and Resources Conservation Division  
P.O. Box 1948 87504-1948  
827-5830

Park and Recreation Division  
P.O. Box 1147 87504-1147  
827-7465

**2040 South Pacheco**

Office of the Secretary  
827-5950

Administrative Services  
827-5925

Energy Conservation & Management  
827-5900

Mining and Minerals  
827-5970

Oil Conservation  
827-7131

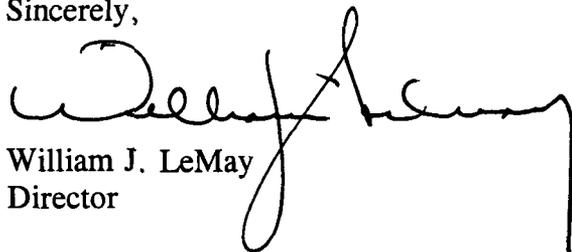
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By the authority granted me under the provisions of Rule 6 of said Division Order No. R-8768, as amended, the above-described 271.32-acre non-standard gas spacing and proration unit is hereby approved.

The original Order NSP-1170 shall be placed in abeyance until further notice.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. LeMay', written over a large, vertical, rectangular bracket that extends from the signature down to the distribution list.

William J. LeMay  
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec  
US Bureau of Land Management - Farmington  
File: NSP-1170