



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

March 25, 1997

Conoco, Inc.
10 Desta Drive - Suite 100W
Midland, Texas 79705-4500
Attention: Jerry W. Hoover

Administrative Order NSL-3780

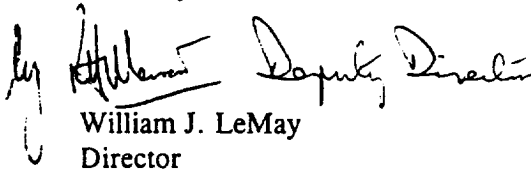
Dear Mr. Hoover:

Reference is made to your application dated March 20, 1997 for an unorthodox "infill" gas well location for both the Blanco-Mesaverde and Basin-Dakota Pools for the proposed Reams Com Well No. 2M to be drilled 1360 feet from the South line and 790 feet from the East line (Unit I) of Section 19, Township 26 North, Range 6 West, NMPM, Rio Arriba County, New Mexico.

Production from both pools in said well is to be included to the existing standard 320-acre gas spacing and proration units comprising the E/2 of said Section 19, which production is currently dedicated to Conoco's ~~Reams Com Well No. 2~~ (API No. 30-039-23172), located at a standard gas well location 950 feet from the North line and 1765 feet from the East line (Unit B) of said Section 19.

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 "infill" Dakota/Mesaverde gas well location for the Reams Com Well No. 2M is hereby approved.

Sincerely,


William J. LeMay
Director

WJL/MES/kv

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