

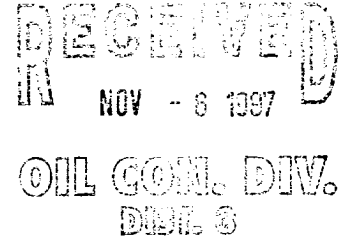


NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

October 30, 1997

Bonneville Fuels Corporation
1660 Lincoln - Suite 1800
Denver, Colorado 80264
Attention: Alan L. Merrill



Administrative Order NSL-2889-A

Dear Mr. Merrill:

Reference is made to your application dated September 29, 1997 for an unorthodox gas well location in the Undesignated Gallegos-Fruitland Sand Pool for the existing Fullerton Federal "14" Well No. 33 (API No. 30-045-28356), which was drilled in 1990 and completed in the West Kutz-Pictured Cliffs Pool at an unorthodox gas well location (approved by Division Administrative Order NSL-2889, dated October 11, 1990, as corrected on January 11, 1991) 2420 feet from the South line and 1995 feet from the East line (Unit J) of Section 14, Township 27 North, Range 11 West, NMPM, San Juan County, New Mexico.

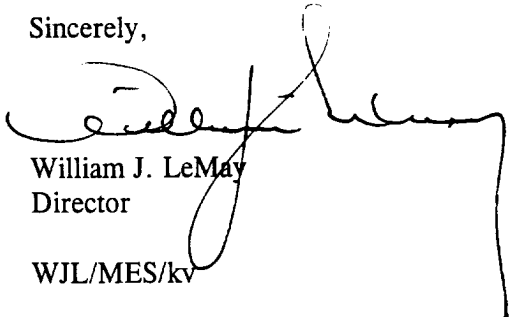
It is our understanding that Bonneville Fuels intends to downhole commingle within the wellbore of the Fullerton Federal "14" Well No. 33 gas production from the West Kutz-Pictured Cliffs Pool with conventional gas production from the Undesignated Gallegos-Fruitland Sand Pool and, pursuant to Division General Rule 104.C(3)(a), said well location is considered to be unorthodox for the gas bearing Fruitland sand interval.

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox Fruitland sand gas well location is hereby approved.

Further, all provisions of said original Order NSL-2889, as corrected, shall remain in full force and affect until further notice.

Sincerely,


William J. LeMay
Director

WJL/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington
File: NSL-2889