

## NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

BETTY RIVERA

Cabinet Secretary

April 4, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Energen Resources Corporation 2198 Bloomfield Highway Farmington, New Mexico 87401 Attention: Richard Corcoran

Administrative Order NSL-4714

Dear Mr. Corcoran:

Reference is made to the following: (i) your application dated March 13, 2002 (application reference No. pKRV0-207457213), which was received by the New Mexico Oil Conservation Division ("Division") in Santa Fe on March 15, 2002; and (ii) the Division's records in Santa Fe and Aztec: all concerning Energen Resources Corporation's request to drill its proposed San Juan "32-5" Unit Well No. 110 (API No. 30-039-26721) at an off-pattern non-standard coal gas well location 155 feet from the South line and 65 feet from the East line (Unit P) of Section 22, Township 32 North, Range 6 West, NMPM, Rio Arriba County, New Mexico.

The S/2 of Section 22 is to be dedicated to this well in order to form a standard 320-acre lay-down gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool (71629).

By the authority granted me under the provisions of Rule 8 of the "Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool," as promulgated by Division Order No. R-8768, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

Lori Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Farmington

U. S. Bureau of Reclamation - Durango, Colorado