



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
BETTY RIVERA
Cabinet Secretary

April 23, 2002

Lori Wrotenbery
Director
Oil Conservation Division

El Paso Energy Raton, L.L.C.
P. O. Box 190
Raton, New Mexico 87740
Attention: Don Lankford

Administrative Order NSL-4251-A

Dear Mr. Lankford:

Reference is made to the following: (i) your application dated March 27, 2002 (*application reference No. pKRV0-209239444*), which was received by the New Mexico Oil Conservation Division ("Division") in Santa Fe on April 1, 2002; and (ii) the Division's records in Santa Fe, including the file in Division Administrative Order NSL-4251: all concerning El Paso Energy Raton, L.L.C.'s request to drill its proposed Vermejo Park Ranch "F" Well No. 17 at an unorthodox coal gas well location 1907 feet from the South line and 777 feet from the East line (Unit I) of Section 20, Township 32 North, Range 21 East, as projected into the (Public unsurveyed) Maxwell Land Grant by private survey conducted by PennzEnergy Company, Colfax County, New Mexico. This well location being necessary for topographic reasons is non-standard because it is closer than 660 feet from the northern boundary of the State of New Mexico.

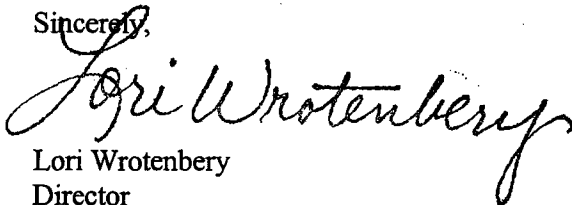
The SE/4 of Section 20 is to be dedicated to this well in order to form a standard 160 acre gas spacing and proration unit in the Stubblefield Canyon Raton-Vermejo Coal Gas Pool (96970).

The subject application has been duly filed under the provisions of Division Rules 104.C (3), and as further specified for the Vermejo Park Ranch lease in Division Administrative Order NSL-4251, dated April 5, 1999.

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

Further, the aforementioned well and spacing unit will be subject to all existing rules, regulations, policies, and procedures applicable to this pool.

Sincerely,



Lori Wrotenbery
Director

LW/MES/kv

cc: Roy Johnson, Supervisor District IV- New Mexico Oil Conservation Division, Santa Fe
File: NSL-4251