



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

August 29, 2006

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

BP America Production Company

P. O. Box 3092

Houston, Texas 77253-3092

Attention: **Cherry Hlava**
hlavacl@bp.com

AMENDED Division Administrative Order NSP-1894 (NSL)

Dear Ms. Hlava:

Due to inadvertence Division Administrative Order NSP-1894 (NSL) issued on Division administrative application reference No. pMES0-529359477 and dated November 17, 2005 apparently does not clearly state the intended order of the Division.

The first paragraph on page one of said Division Administrative Order NSP-1894 (NSL), be and the same, is hereby amended/corrected to read in its entirety as follows:

"Reference is made to the following: (i) your initial application (*administrative application reference No. pMES0-529359477*) of September 12, 2005 for an unorthodox Basin-Fruitland coal gas well location for BP America Production Company's ("BP") proposed Riddle "C" LS Well No. 5 (**API No. 30-045-33336**) to be drilled at an unorthodox coal gas well location 2110 feet from the South line and 925 feet from the West line (Lot 14/Unit K) of Irregular Section 30, Township 31 North, Range 9 West, NMPM, Basin-Fruitland Coal (Gas) Pool (**71629**), San Juan County, New Mexico; (ii) the New Mexico Oil Conservation Division's ("Division") response by letter from Mr. Michael E. Stogner, Engineer in Santa Fe, on October 20, 2005 **denying** this application; (iii) your e-mail correspondence with Mr. Stogner on October 25, 2005 concerning this application; (iv) your re-submittal of this application on October 27, 2005 to include a provision to establish a non-standard 299.10-acre coal gas spacing unit consisting of the following acreage; and (v) the Division's records in Aztec and Santa Fe, including the files in Division Cases No. 236 and 10072:

SAN JUAN COUNTY, NEW MEXICO

TOWNSHIP 31 NORTH, RANGE 9 WEST, NMPM

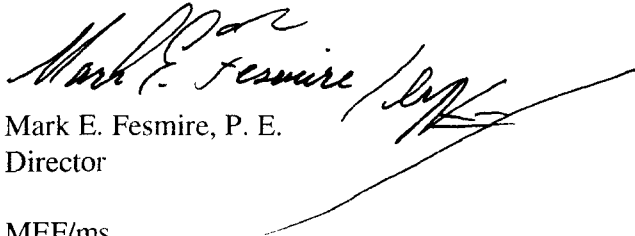
Irregular Section 30: Lots 14 through 16 (SW/4 equivalent)

Irregular Section 31: Lots 7 through 10 and 15 through 18 (W/2 equivalent)".

The clarification/amendment set forth in this order, which is hereby entered into the Division's administrative database as administrative application reference No. pMES0-624131768, shall be entered retroactively as of November 17, 2005; all other provisions of Division Administrative Order NSP-1894 (NSL) shall remain in full force and effect until further notice.

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely,



Mark E. Fesmire, P. E.
Director

MEF/ms

cc: New Mexico Oil Conservation Division – Aztec
U. S. Bureau of Land Management - Farmington
File: NSP-1894 (NSL) [*Division administrative application reference No. pMES0-529359477*]
Case No. 236
Case No. 10072