

NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

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

1746A October 23, 1997

REC: 10-3-97 Susp: 10-23-97 Released: 10-23-97

Thompson Engineering and Production Corporation c/o Walsh Engineering & Production Corporation 7415 East Main Farmington, New Mexico 87402 Attention: Paul C. Thompson

Administrative Order NSL-1746-A

Dear Mr. Thompson:

Reference is made to your application dated September 24, 1997 for a non-standard Basin-Fruitland coal gas well location for your existing West Fork Well No. 1 (API No. 30-045-25632), which was drilled in 1983 and completed in the Gallegos-Gallup Associated Pool at a previously approved unorthodox gas well location (see Division Administrative Order NSL-1746, dated October 6, 1983) 940 feet from the North line and 1560 feet from the West line (Unit C) of Section 14, Township 26 North, Range 12 West, NMPM, San Juan County, New Mexico.

It is our understanding that the Gallup interval will be properly plugged back and said well will be recompleted to the Basin-Fruitland Coal (Gas) Pool, which pursuant to the "Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool", as promulgated by Division Order No. R-8768, as amended, is off-pattern and unorthodox. Further, the W/2 of said Section 14 is to be dedicated to the well to form a standard 320-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of said Order No. R-8768, as amended, the above-described unorthodox coal gas well location for the West Fork Well No. 1 is hereby approved.

Further, said original Order NSL-1746 shall be placed in abeyance until further notice.

Sincerely, William J. LeMa Director

WJL/MES/kv

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