



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

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April 11, 1989

Nassau Resources, Inc.
c/o Jerome P. McHugh & Associates
P.O. Box 809
Farmington, NM 87499-0809

Attention: Fran Perrin:

Amended Administrative Order NSL-2580

Dear Ms. Perrin:

Reference is made to your application of February 13, 1989 to amend Division Administrative Order NSL-2580 to include the Basin-Fruitland Coal (Gas) Pool. Said NSL-2580, dated September 20, 1988, authorized a non-standard gas well location for the Carracas Unit 22-A Well No. 13 to be drilled 620 feet from the South line and 540 feet from the West line (Unit M) of Section 22, Township 32 North, Range 5 West, NMPM, to test the Undesignated Cottonwood Fruitland Pool, Rio Arriba County, New Mexico, the SW/4 of said Section 22 to be dedicated to said well forming a standard 160-acre gas spacing and proration unit for said pool.

By 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, the above-described well is hereby approved as an unorthodox coal gas well location. The W/2 of said Section 22 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool. Furthermore, other provisions of the original order shall remain in full force and effect until further notice.

Sincerely,

A handwritten signature in dark ink, appearing to read "William J. LeMay".

William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec
New Mexico Oil & Gas Engineering Committee - Hobbs
US Bureau of Land Management - Farmington