



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

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SANTA FE, NEW MEXICO 87504
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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-2595

Dear Ms. Perrin:

Reference is made to your application of February 13, 1989 to amend Division Administrative Order NSL-2595 to include the Basin-Fruitland Coal (Gas) Pool. Said NSL-2595, dated November 8, 1988, authorized a non-standard gas well location for the Carracas Unit 30-B Well No. 8 to be drilled 2240 feet from the North line and 620 feet from the East line (Unit H) of Section 30, Township 32 North, Range 4 West, NMPM, to test the Fruitland (Sand) Formation, Rio Arriba County, New Mexico, the NE/4 of said Section 30 to be dedicated to said well forming a standard 160-acre gas spacing and proration unit.

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 N/2 of said Section 30 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 black ink, appearing to read 'William J. LeMay', written over a horizontal line.

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