



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

March 3, 1989

BCO, Inc.
c/o Padilla & Snyder
P.O. Box 2523
Santa Fe, NM 87504-2523

Attention: Ernest Padilla

Administrative Order NSL-2638

Dear Mr. Padilla:

Reference is made to your application of February 7, 1989, on behalf of BCO, Inc., for a non-standard coal gas well location for your existing Alamito Unit Well No. 1 presently completed as a Wildcat Chacra Gas Well and located 840 feet from the South line and 1840 feet from the East line (Unit O) of Section 32, Township 23 North, Range 7 West, NMPM, Basin Fruitland Coal (Gas) Pool, Sandoval County, New Mexico. The S/2 of said Section 32 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

By the 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 unorthodox coal gas well location is hereby approved.

Sincerely,

A handwritten signature in black 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
NM State Land Office - Santa Fe