STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS

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

November 20, 1989

Union Texas Petroleum Corporation P.O. Box 2120 Houston, TX 77252-2120

Attention: Ken E. White, Regulatory Permit Coordinator

Administrative Order NSL-2710

Dear Mr. White:

Reference is made to your application of August 30, 1989 for a non-standard coal gas well location for your Oxnard "B" Well No. 3 to be located 450 feet from the North line and 665 feet from the East line (Unit A) of Section 8, Township 31 North, Range 8 West, NMPM, Basin Fruitland Coal (Gas) Pool, San Juan County, New Mexico. The E/2 of said Section 8 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. 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

