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

October 12, 1990

BHP Petroleum 5847 San Felipe Suite 3600 Houston, TX 77057

Attention: Chuck Williams

Administrative Order NSL-2890

Dear Mr. Williams:

Reference is made to your application dated September 5, 1990 for a non-standard gas well location for your Gallegos Canyon Unit Well No. 503 to be located 1265 feet from the South line and 1850 feet from the East line (Unit O) of Section 18, Township 29 North, Range 12 West, NMPM, Undesignated West Kutz Pictured Cliffs Pool, San Juan County, New Mexico. Lots 11 and 12 and the W/2 SE/4 (SE/4 equivalent) of said Section 18 shall be dedicated to the well forming a 158.44-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of General Rule 104F.I. the above-described unorthodox gas well location is hereby approved.

Sincerely,

William J. LeMay

Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec