STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS

December 26, 1990

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

Robert L. Bayless P.O. Box 168 Farmington, NM 87499

Attention: Kevin H. McCord

Administrative Order NSL-2968

Dear Mr. McCord:

Reference is made to your application dated November 29, 1990 for a non-standard coal gas well location for your Santa Rosa "18" Well No. 2 to be located 1875 feet from the South line and 540 feet from the West line (Unit K) of Section 18, Township 29 North, Range 9 West, NMPM, Basin Fruitland Coal (Gas) Pool, San Juan County, New Mexico. Said well to be dedicated to the previously approved 330.975-acre non-standard gas spacing and proration unit comprising the S/2 of Lot 2, Lots 3 and 4, S/2 S/2 NE/4, S/2 SE/4 NW/4, E/2 SW/4 and SE/4 (S/2 S/2 N/2 and S/2 equivalent) of said Section 18, authorized by Division Order No. R-8898 dated April 3, 1989.

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 US Bureau of Land Management - Farmington