



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



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

November 11, 1992

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

Phillips Petroleum Company
Attention: W. Frank Hulse, III
5525 Highway 64, NBU 3004
Farmington, NM 87401

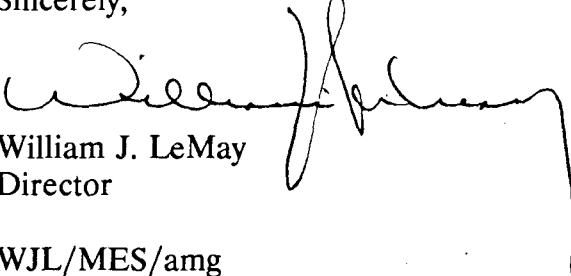
Administrative Order NSL-3188

Dear Mr. Hulse:

Reference is made to your application dated November 3, 1992 for a non-standard coal gas well location for your San Juan 32-7 Unit Well No. 238 to be located 518 feet from the North line and 2313 feet from the East line (Unit B) of Section 29, Township 32 North, Range 7 West, NMPM, Basin Fruitland Coal Gas Pool, San Juan County, New Mexico. Lots 1 through 4 and the SE/4 (E/2 equivalent) of said Section 29 shall be dedicated to the well forming a standard 332.12-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, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,


William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
US Bureau of Reclamation - Durango