STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY March 23, 1993

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

Maralex Resources, Inc. P.O. Box 421 Blanco, NM 87412

Attention: A.M. O'Hare, President

Administrative Order NSL-3229

Dear Mr. O'Hare:

Reference is made to your application dated January 20, 1993 for a non-standard coal gas well location for your Gallegos Federal 26-13-24 Well No. 2, which was drilled in January 1993 and located 900 feet from the South line and 700 feet from the West line (Unit M) of Section 24, Township 26 North, Range 13 West, NMPM, Basin Fruitland Coal Gas Pool, San Juan County, New Mexico. The S/2 of said Section 24 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, 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 - Azteć US Bureau of Land Management - Farmington