



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



BRUCE KING
GOVERNOR

August 3, 1993

ANITA LOCKWOOD
CABINET SECRETARY

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

P-R-O Management, Inc.
c/o A.R. Kendrick
P.O. Box 516
Aztec, NM 87410

Administrative Order NSL-3290

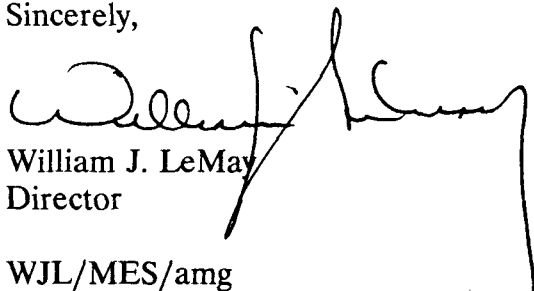
Dear Mr. Kendrick:

Reference is made to your application dated July 12, 1993, 1992 for a non-standard Basin-Fruitland coal gas well location for your existing Bolack "J" Well No. 1 which was drilled in 1978 and completed in the West Kutz Pictured Cliffs Pool at a standard gas well location 1450 feet from the South and East lines (Unit J) of Section 28, Township 27 North, Range 11 West, NMPM, San Juan County, New Mexico.

It is my understanding that the Pictured Cliffs zone will be properly plugged back and said well will be recompleted to the Basin-Fruitland Coal Gas Pool, which pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool as promulgated by Division Order No. R-8768, as amended, is unorthodox. Further, the E/2 of said Section 28 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 said 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