STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

October 6, 1993

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

ANITA LOCKWOOD CABINET SECRETARY

Amoco Production Company P.O. Box 800 Denver, CO 80201

Attention: J.W. Hawkins

Administrative Order NSL-3318

Dear Mr. Hawkins:

Reference is made to your application dated September 2, 1993 for an unorthodox gas well location in both the Blanco Mesaverde and Basin Dakota Pools for your proposed Barnes "B" Well No. 9-M to be drilled 1255 feet from the South line and 670 feet from the West line (Unit M) of Section 13, Township 32 North, Range 11 West, NMPM, San Juan County, New Mexico. It is our understanding that said well is to be dually completed in both the Blanco Mesaverde and Basin Dakota Pools, also this well is to be a replacement well in the Mesaverde interval for Amoco's Barnes "B" Well No. 9, located 1100 feet from the South line and 990 feet from the West line (Unit M) of said Section 13, which will be plugged back and abandoned in the Mesaverde formation.

By the authority granted me under the provisions of Rule 2(c) of the General Rules and Regulations for the Prorated Gas Pools of New Mexico, the Special Rules and Regulations for the Basin Dakota Pool and the Special Rules and Regulations for the Blanco Mesaverde Pool, as promulgated by Division Order No. R-8170, as amended, the above-described unorthodox gas well location is hereby approved.

The S/2 of said Section 13, being a standard 320-acre gas spacing and proration unit, shall be dedicated to said well in both intervals.

Further, the subject well and units shall be subject to all applicable rules governing said pools.

Sincerely,

William J. LeMa Director

WJL/MES/amg

Oil Conservation Division - Aztec

US Bureau of Land Management - Farmington