STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

UG FREE

BRUCE KING 30'/EPNOP

ANITA LOCKWOOD CABINET SECRETARY April 18, 1994

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FEINEW MEXICO 31504 (505) 327-5800

Apache Corporation 1700 Lincoln Street Suite 2000, One Norwest Center Denver, CO 80203-4520

Attention: Jo Ann Smith

Administrative Order NSL-3375

Dear Ms. Smith:

Reference is made to your application dated February 27, 1994, for a non-standard Blanco-Mesaverde gas well location for your existing Jicarilla Apache A-118 Well No. 15 which was drilled in 1985 and completed in the Northeast Ojito Gallup-Dakota Oil Pool at a previously approved unorthodox oil well location (Division Order No. R-8188-A, Rule 5) 440 feet from the South line and 550 feet from the East line (Unit P) of Section 25, Township 26 North, Range 3 West, NMPM, Rio Arriba County, New Mexico.

It is my understanding that the Northeast Ojito Gallup-Dakota zone will be properly plugged back and said well will be recompleted to the Blanco-Mesaverde Pool, which pursuant to the Special Rules and Regulations for the Blanco-Mesaverde Pool as promulgated by Division Order No. R-8170, as amended, is unorthodox. Further, the S/2 of said Section 25 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 2(c) of said Division Order No. R-8170, as amended, the above-described unorthodox gas well location is hereby approved.

Sincerely, William J. LeMay Director WJL/MES/amg

cc: Oil Conservation Division - Azted US Bureau of Land Management - Albuquerque