STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

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

April 19, 1994

Union Oil Company of California (UNOCAL) P.O. Box 2620 Casper, WY 82602-2620

Attention: Jim Benson

Administrative Order NSL-3376

Dear Ms.r. Benson:

Reference is made to your application dated February 16, 1994 for an unorthodox gas well location for both the Basin-Dakota and Undesignated Largo-Gallup Pools for your proposed Rincon Unit Well No. 229E. Said well is to be drilled 660 feet from the South line and 1190 feet from the West line (Unit M) of Section 34, Township 27 North, Range 7 West, NMPM Rio Arriba County, New Mexico.

The S/2 of said Section 34 is to be dedicated to said well forming a standard 320-acre gas spacing and proration unit for both pools.

By the authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Basin-Dakota Pool, as promulgated by Division Order No. R-8170, as amended; the applicable rules governing the Largo-Gallup Pool under Division Order No. R-2462, as amended; and General Rule 104.F(1), the aforementioned unorthodox 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