STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

May 3, 1994

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

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

Attention: J.W. Hawkins

Administrative Order NSL-3390

Dear Mr. Hawkins:

Reference is made to your application dated April 28, 1994 for an unorthodox gas well location in both the Blanco Mesaverde and Basin Dakota Pools for your proposed San Juan 28-7 Unit Well No. 35M to be drilled 1080 feet from the North line and 560 feet from the West line (Unit D) of Section 27, Township 28 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

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 W/2 of said Section 27, 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. LeMan

Director

WJL/MES/amg

cc: Oil Conservation Division - Aztec

US Bureau of Land Management - Farmington