State of New Mexico ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Santa Fe, New Mexico 87505



OIL CONSERVATION DIVISION

DRUG FREE

January 12, 1995

EnRe Corporation c/o Permits West, Inc. 37 Verano Loop Santa Fe, New Mexico 87505

Attn: Brian Wood

Administrative Order NSL-3459

Dear Mr. Wood:

Reference is made to your application dated December 12, 1994 on behalf of the operator, EnRe Corporation, for an unorthodox oil well location for the proposed Los Indios Canyon "11-J" Well No. 1 to be drilled 2400 feet from the South line and 2100 feet from the East line (Unit J) of Section 11, Township 27 North, Range 1 West, NMPM, to test both the Entrata formation and the West Puerto Chiquito-Mancos Oil Pool, Rio Arriba County, New Mexico.

All of said Section 11 being a standard 640-acre oil spacing and proration unit for the West Puerto Chiquito-Mancos Oil Pool and the NW/4 SE/4 of said Section 11 being a standard 40-acre oil spacing and proration unit for the Entrata interval, are to be dedicated to said well.

By the authority granted me under the provisions of Rule 5 of the "Special Rules and Regulations for the West Puerto Chiquito-Mancos Oil Pool", as promulgated by Division Order Nos. R-2565-B, R-2565-C, R-6469, R-6469-A, R-6469-B, R-6469-C, R-6469-D, R-6469-E, R-6469-F, R-6469-F-1, R-6469-G, R-6469-G-1, and R-6469-H, and Division General Rule 104.F(1), the above-described unorthodox oil well location is hereby approved.

Sincerely, William J. LeMay Director WJL/MES/kv Oil Conservation Division - Aztec cc: U. S. Bureau of Land Management - Albuquerque VILLAGRA BUILDING - 408 Galisteo

Forestry and Resources Conservation Division P.O. Box 1948 87504-1948 827-5830 Park and Recreation Division P.O. Box 1147 87504-1147 827-7465 2040 South Pacheco Office of the Secretary 827-5950 Administrative Services 827-5925 Energy Conservation & Management 827-5900 Mining and Minerals 827-5970 Oil Conservation 827-7131