

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Bill Richardson
Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

February 21, 2003

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

Attention:

Brian Wood

brian@permitswest.com

Administrative Order NSL-4844

Dear Mr. Wood:

Reference is made to the following: (i) your application on behalf of the operator, MarkWest Resources, Inc. ("MarkWest"), that was submitted to the New Mexico Oil Conservation Division ("Division") on January 28, 2003 (application reference No. pKRV0-302930384); and (ii) the Division's records in Santa Fe and Aztec: all concerning MarkWest's request to drill its proposed Las Colinas Well No. 101 at an unorthodox Pictured Cliffs gas well location 2150 feet from the South line and 1470 feet from the East line (Unit J) of Section 26, Township 30 North, Range 13 West, NMPM, San Juan County, New Mexico.

The SE/4 of Section 26 is to be dedicated to this well in order to form a standard 160-acre gas spacing unit for the Fulcher Kutz-Pictured Cliffs Pool (77200).

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Pictured Cliffs gas well location is hereby approved.

Sincerely,

Lori Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Farmington