



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

August 25, 1997

Conoco, Inc.
10 Desta Drive - Suite 100W
Midland, Texas 79705-4500
Attention: Jerry W. Hoover

Administrative Order NSL-3859

Dear Mr. Hoover:

Reference is made to your application dated August 21, 1997, which was received by the Division in Santa Fe on August 25, 1997, for an unorthodox "infill" gas well location for both the Blanco-Mesaverde and Basin-Dakota Pools for the proposed Jicarilla "A" Well No. 9M to be drilled 2070 feet from the South line and 2055 feet from the West line (Unit K) of Section 14, Township 26 North, Range 4 West, NMPM, Rio Arriba County, New Mexico.

Production from both pools in said well is to be included in the existing standard 320-acre gas spacing and proration units comprising the W/2 of said Section 14, which production is currently dedicated to Conoco's Jicarilla "A" Well No. 9 (API No. 30-039-20095), located at a location considered to be standard under the current rules governing both the Blanco-Mesaverde and Basin-Dakota Pools 790 feet from the North line and 1670 feet from the West line (Unit C) of said Section 14.

By the authority granted me under the provisions of Rule 2(d) of the "*General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Blanco-Mesaverde Pool/Special Rules and Regulations for the Basin-Dakota Pool*", as promulgated by Division Order No. R-8170, as amended, the above-described unorthodox "infill" Dakota/Mesaverde gas well location for the Jicarilla "A" Well No. 9M is hereby approved.

Sincerely,

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington
W. Thomas Kellahin, Counsel - Santa Fe
Dave Wacker, Conoco, Inc. - Midland, Texas