



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

January 2, 2001

Lori Wrotenbery
Director
Oil Conservation Division

Energen Resources Corporation
2198 Bloomfield Highway
Farmington, New Mexico 87401
Attention: Richard Corcoran

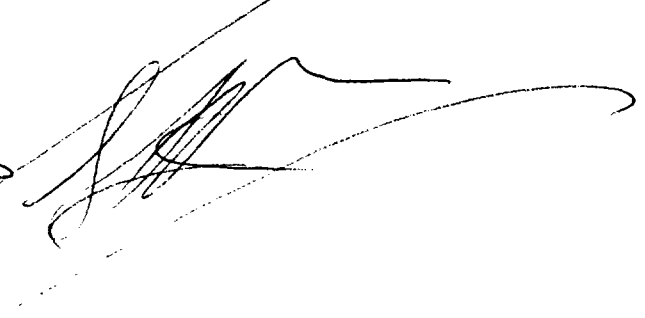
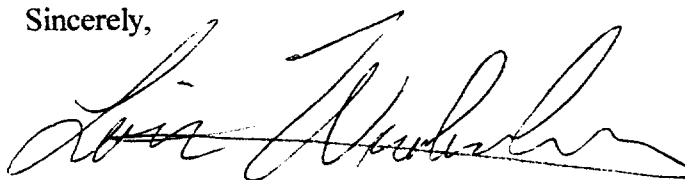
Administrative Order NSL-4539

Dear Mr. Corcoran:

Reference is made to the following: (i) your application dated November 29, 2000; and (ii) the New Mexico oil Conservation Division's ("Division") records in Santa Fe: all concerning Energen Resources Corporation's ("Energen") request for an off-pattern non-standard Basin-Fruitland coal gas well location for the existing Richardson Com Well No. 3-E (API No. **30-045-25091**), located 790 feet from the North line and 1120 feet from the West line (Lot 4/Unit D) of Section 2, Township 27 North, Range 13 West, NMPM, Basin-Fruitland Coal (Gas) Pool, San Juan County, New Mexico. Lots 3 and 4, the S/2 NW/4 and the SW/4 (W/2 equivalent) of Section 2 is to be dedicated to this well in order to form a standard 319.61-acre stand-up gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool.

By the authority granted me under the provisions of Rule 8 of the "*Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool*," as promulgated by Division Order No. R-8768, as amended, the above-described off-pattern non-standard coal 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
New Mexico State Land Office - Santa Fe