



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
BETTY RIVERA
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

August 8, 2002

Texakoma Oil & Gas Corporation
One Lincoln Center
5400 LBJ Freeway – Suite 500
Dallas, Texas 75240
Attention: Tom Sprinkle, Drilling Manager
tls2@airmail.net

Administrative Order NSL-4766

Dear Mr. Sprinkle:

Reference is made to the following: (i) your application (*application reference No. pKRV0-220047519*) submitted to the New Mexico Oil Conservation Division's ("Division") on July 17, 2002; and (ii) the Division's records in Aztec and Santa Fe: all concerning Texakoma Oil & Gas Corporation's ("Texakoma") request for an unorthodox coal gas well location for its proposed Texakoma - USA "23" Well No. 2 to be drilled 312 feet from the South line and 2019 feet from the West line (Unit N) of Section 23, Township 32 North, Range 13 West, NMPM, San Juan County, New Mexico.

The W/2 of Section 23 is to be dedicated to this well in order to form a standard 320-acre stand-up gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool (71629).

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 unorthodox coal gas well location is hereby approved.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery".

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington