



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

March 3, 1994

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Hallwood Energy Companies
P.O. Box 378111
Denver, CO 80237

Attention: Kevin E. O'Connell

Administrative Order NSP-1686

Dear Mr. O'Connell:

Reference is made to your application dated November 24, 1993 for a 320-acre non-standard gas spacing and proration unit consisting of the following acreage in the Basin-Fruitland Coal Gas Pool:

SAN JUAN COUNTY, NEW MEXICO
TOWNSHIP 31 NORTH, RANGE 13 WEST, NMPM
Section 9: NE/4
Section 10: NW/4

It is my understanding that this unit is to be dedicated to your Wilmerding "9" Well No. 2 to be drilled at a standard coal gas well location 1190 feet from the North line and 790 feet from the East line (Unit A) of said Section 9.

The above-described acreage is currently dedicated in the Basin-Dakota and Blanco-Mesaverde Pools to the Wilmerding Well No. 1 in Unit "B" of said Section 9 and the Wilmerding Well No. 1M in Unit "C" of said Section 10 under the authority of Division Order No. R-2067, dated September 22, 1961.

By authority granted me under the provisions of Rule 6 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 non-standard gas spacing and proration unit is hereby approved.

Sincerely,

William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Aztec
W. Thomas Kellahin - Santa Fe