



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

January 7, 1998

Four Star Oil and Gas Company
c/o Texaco Exploration and Production, Inc.
3300 N. Butler
Farmington, New Mexico 87401
Attention: Allan R. Davis

Administrative Order NSP-1783

Dear Mr. Davis:

Reference is made to your application dated December 16, 1997 for a non-standard 256.68-acre gas spacing and proration unit consisting of the following acreage in the Basin-Fruitland Coal (Gas) Pool:

SAN JUAN COUNTY, NEW MEXICO
TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM
Irregular Section 9: All.

It is my understanding that this unit is to be dedicated to Four Star Oil and Gas Company's existing Mexico Federal "B" Well No. 1 (API No. 30-045-07575), located at a standard gas well location 1190 feet from the South line and 1840 feet from the West line (Unit N) of said Section 9.

By the 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-described non-standard gas spacing and proration unit is hereby approved.

Sincerely,

Kathleen A. Garland
Acting Director

KAG/MES/kv

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