

NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

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

April 26, 1999

Eneregen Resources Corporation 2198 Bloomfield Highway Farmington, New Mexico 87401

Attention: Richard Corcoran

Re: Administrative application to establish a non-standard 205.88-acre gas spacing and proration unit comprising Lots 1 through 5, the E/2 NW/4, and the NE/4 SW/4 (W/2 equivalent) of Section 31, Township 30 North, Range 4 West, NMPM, Rio Arriba County, New Mexico, in both the Basin-Dakota and Blanco-Mesaverde Pools for Eneregen Resources Corporation's proposed San Juan 30-4 Unit Well No. 33-A to be drilled at a standard gas well location for both intervals 830 feet from the North line and 820 feet from the West line (Unit C) of Section 31.

Dear Mr. Corcoran:

Please submit a copy of Division Administrative Order NWU-362 that was referenced in your application.

Thank you.

Sincerely

Michael E. Stogner Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Aztec