

## NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**Bill Richardson** Governor Joanna Prukop **Cabinet Secretary** 

30-645-31393

March 6, 2003

Lori Wrotenbery Director Oil Conservation Division

Koch Exploration Company, LLC 20 East Greenway Plaza Houston, Texas 77046-2002

Attention:

Lance F. Harmon

Re:

Administrative application for an exception to the well location provisions of the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool," as promulgated by Division Order No. R-8768, as amended, for Koch Exploration Company, LLC's ("Koch") proposed Christina Com. "30" Well No. 1-A within an existing standard 329.40-acre stand-up gas spacing unit for the Basin-Fruitland Coal (Gas) Pool comprising the W/2 equivalent of Section 30, Township 28 North, Range 10 West, NMPM, San Juan County, New Mexico.

Dear Mr. Harmon:

This letter acknowledges your administrative application dated February 14, 2003 for the above described well to be drilled at an unorthodox infill coal gas well location within the Basin-Fruitland Coal (Gas) Pool. The Division received your application on February 18, 2003, and assigned it NMOCD administrative application reference No. pKRV0-304956847. Please refer to this number in future correspondence with the Division.

My preliminary review indicates that the information provided in your application is not sufficient to process an administrative order at this time. You stated in your application, "because of topography, we [Koch] were unable to stake the well [proposed Christina Com. "30" Well No. 1-A] anywhere in the NW/4 except at a location being 290 feet from the north line and 865 feet from the west line." A map attached to your application shows a gas well to the south, which is Burlington Resources Oil & Gas Company's ("Burlington") Newman "C" Well No. 1-E (API No. 30-045-24115), located 1555 feet from the North line and 790 feet from the West line (Lot 2/Unit E) of Section 30.

Please provide a detailed explanation as to why the existing well pad for the above-described Newman "C" Well No. 1-E could not be utilized to twin the subject infill coal gas well, which location is well within the parameters of the rules governing this pool for a standard location.

Since the submitted information is insufficient to review, the application was ruled as incomplete on March 6, 2003. Please submit your explanation letter along with any attachments by Monday, March 17, 2003.

The Division cannot proceed with your application until the required information is submitted. Upon receipt, the Division will continue to process your application. The additional information can be faxed to (505) 476-3471, or mailed to the Division in Santa Fe. If the necessary information is not submitted, your application will be returned to you.

Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 476-3465 or email me at "mstogner@state.nm.us." Thank you.

Sincerely

Michael E. Stogner Chief Hearing Officer/Engineer

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