

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

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

March 3, 1989

BCO, Inc.
c/o Padilla & Snyder
P.O. Box 2523
Santa Fe, NM 87504-2523

Attention: Ernest Padilla

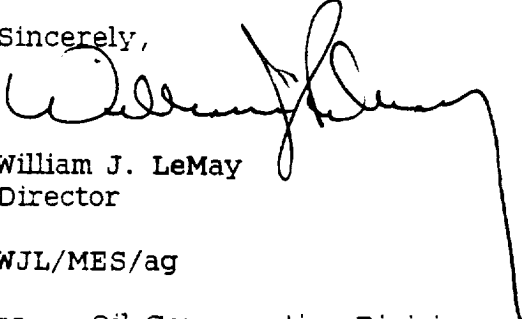
Administrative Order NSL-2638

Dear Mr. Padilla:

Reference is made to your application of February 7, 1989, on behalf of BCO, Inc., for a non-standard coal gas well location for your existing Alamito Unit Well No. 1 presently completed as a Wildcat Chacra Gas Well and located 840 feet from the South line and 1840 feet from the East line (Unit O) of Section 32, Township 23 North, Range 7 West, NMPM, Basin Fruitland Coal (Gas) Pool, Sandoval County, New Mexico. The S/2 of said Section 32 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

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, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,


William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec
New Mexico Oil & Gas Engineering Committee - Hobbs
NM State Land Office - Santa Fe

RECEIVED

MAR 20 1989

OIL CON. DIV.
DIST.



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

10001 DISTRICT HEADQUARTERS
AZTEC, NEW MEXICO 87410
(505) 334-6170

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 2-13-89

RE: Proposed HC _____
Proposed DIIC _____
Proposed HSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated 2-10-89
for the B CO. INC. ALAMITO UNIT #1 C-32-23-7W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approved

Yours truly,

E. Burch

PADILLA & SNYDER

ATTORNEYS AT LAW

200 W. MARCY, SUITE 212

P.O. BOX 2523

SANTA FE, NEW MEXICO 87504-2523

ERNEST L. PADILLA
MARY JO SNYDER

FAX 988-7592
AREA CODE 505

(505) 988-7577

February 7, 1989

CERTIFIED-RETURN RECEIPT REQUESTED

NOTICE OF APPLICATION

TO: Offsetting Operators on Exhibit A, attached hereto

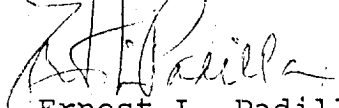
RE: Application for Nonstandard Location -
Basin Fruitland Coal Gas Pool

Ladies and Gentlemen:

Enclosed please find a copy of the application of BCO, Inc., for nonstandard location in the S/2 of Section 32, Township 23 North, Range 7 West, N.M.P.M., Sandoval County, New Mexico. The application results from rework of an existing well which is located in the SE/4 of Section 32. The special pool rules for the Basin Fruitland Coal Gas Pool require that wells be located in the SW/4 or the NE/4 of a governmental section.

If this application meets with your approval, please execute the enclosed waiver form and return it to us for submission to the Oil Conservation Division.

Very truly yours,


Ernest L. Padilla

ELP:crk

Enclosure as stated

cc: BCO, Inc.

RECEIVED
FEB 10 1989
OIL CON. DIV.
DIST. 3

OFFSETTING OPERATORS

USA
Bureau of Land Management
Farmington Area Office
1235 La Plata Highway
Farmington, New Mexico 87401

Yates, et al.:
Yates Petroleum Corporation
Yates Drilling Company
Abo Petroleum Corporation
Myco Industries, Inc.
105 South Fourth Street
Artesia, New Mexico 88210

Dick Lauritsen
P. O. Box 2364
Farmington, New Mexico 87401

Celsius Energy Company
P. O. Box 11070
Salt Lake City, Utah 84147

Texaco Producing, Inc.
P. O. Box 2100
Denver, Colorado 80201

RECEIVED
FEB 1 0 1989
OIL CON. DIV.
DIST. 3

BEFORE THE OIL CONSERVATION DIVISION

IN THE MATTER OF THE
APPLICATION OF BCO, INC.
FOR ADMINISTRATIVE APPROVAL
OF A NONSTANDARD LOCATION,
SANODVAL COUNTY, NEW MEXICO

NO. _____

WAIVER

The undersigned operator or entity, by its authorized representatives, hereby waives any objection to the application of BCO, Inc. for nonstandard location in the Basin Fruitland Coal Gas Pool.

By: _____

Title: _____

<div>RECEIVED FEB 01 1989 OIL CON. DIV. DIST. 3</div>		<div>RECEIVED AUG 05 1986 OIL CON. DIV. DIST. 3</div>	
SEC. 32			
		<div>1800 840</div>	
<div>330 660 80 1320 1650 1890 2310 2640 2000 1500 1000 500 0</div>			

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Elizabeth B. Keesh

Name

Elizabeth B. Keesh

Position

Comptroller

Company

BCO, Inc.

Date

August 4, 1986

EDGAR L. RISENHOOVER
NEW MEXICO
5979

well located from field notes of survey prepared by me under my supervision, and the same are true and correct to the best of my knowledge.

REGISTERED LAND SURVEYOR

Date Surveyed

July 29, 1986

Registered Professional Engineer and/or Land Surveyor

Edgar L. Risenhoover

Certificate No. 5979

Edgar L. Risenhoover, L.S.