



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



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

June 29, 1992

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N.M. & O. Operating Company
23 West 4th - Suite 900
Tulsa, Oklahoma 74103-5094

Attention: Chris Phillips

RECEIVED
JUL 02 1992
OIL CON. DIV.
DIST. 3

Administrative Order NSL-3124

Dear Mr. Phillips:

Reference is made to your application dated May 6, 1992 for a non-standard Basin-Fruitland coal gas well location for your existing Koon Well No. 1 which was drilled in 1952 and completed in the Gavilan Pictured Cliffs Pool at a standard gas well location 990 feet from the South and East lines (Unit P) of Section 14, Township 25 North, Range 2 West, NMPM, Rio Arriba County, New Mexico.

It is my understanding that the Pictured Cliffs was recently plugged back and said well was recompleted to the Basin-Fruitland Coal Gas Pool, which pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool as promulgated by Division Order No. R-8768, as amended, is unorthodox. Further, the E/2 of said Section 14 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 said Division Order No. R-8768, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

WILLIAM J. LEMAY
Director

WJL/MES/jc

cc: Oil Conservation Division - Aztec ✓