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



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

September 29, 1994

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

Dugan Production Corporation
P.O. Box 420
Farmington, NM 87499-0420

Attention: Jim L. Jacobs

RECEIVED
OCT - 5 1994
OIL CON. DIV.
DIST. 3

Administrative Order NSL-3426

Dear Mr. Jacobs:

Reference is made to your application dated September 7, 1994 for a non-standard coal gas well location for your Bowers Well No. 90 to be located 790 feet from the South line and 2435 feet from the East line (Unit O) of Section 17, Township 24 North, Range 8 West, NMPM, Basin Fruitland Coal Gas Pool, San Juan County, New Mexico. The S/2 of said Section 17 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, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington