



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

May 27, 1997

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JUN - 4 1997

OIL CON. DIV.
DIST. 3

Bonneville Fuels Corporation
1660 Lincoln - Suite 1800
Denver, Colorado 80264
Attention: Alan L. Merrill

Administrative Order NSL-3799

Dear Mr. Merrill:

Reference is made to your application dated May 2, 1997 for authorization to re-enter the plugged and abandoned British-American Oil Production Company Government-Fullerton Well No. 9 (API No. 30-045-13047), to be redesignated the Fullerton Federal Well No. 9, located 1190 feet from the South line and 790 feet from the East line (Unit M) of Section 13, Township 27 North, Range 11 West, NMPM, San Juan County, New Mexico, and recomplete in the Basin-Dakota Pool and the Undesignated Kutz-Gallup Oil Pool. Pursuant to the "General Rules For The Prorated Gas Pools of New Mexico/Special Rules and Regulations For The Basin- Dakota Pool", as promulgated by Division Order No. R-8170, as amended, said well location is considered to be standard; however, pursuant to Division General Rule 104.C(1) said well location is considered to be unorthodox for the Gallup interval.

It is also our understanding that Bonneville Fuels Corporation intends to downhole commingle both the Dakota and Gallup production in said well (see application filed with the Division dated April 17, 1997).

Said application dated May 2, 1997 has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the Oil Conservation Commission in Case 11,351 on January 18, 1996.

By the authority granted me under the provisions of Division General Rule 104.F(1), the above-described unorthodox Gallup oil well location is hereby approved.

Sincerely,

William J. LeMay
Director

WJL/MES/kv

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