STATE OF NEW MEXICO



OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

October 31, 1990

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

Maralex Resources, Inc. 518 17th Street Suite 1030 Denver, CO 80202

Attention: A.M. O'Hare

Administrative Order NSL-2920

Dear Mr. O'Hare:

Reference is made to your application dated October 5, 1990 for a non-standard coal gas well location for your Marron W.N. Federal Com Well No. 9 to be located 1760 feet from the North line and 360 feet from the East line (Unit H) of Section 27, Township 27 North, Range 8 West, NMPM, Basin Fruitland Coal (Gas) Pool, San Juan County, New Mexico. The N/2 of said Section 27 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

US Bureau of Land Management - Farmington

OIL CON. DIV.