



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

**Mark E. Fesmire, P.E.**  
Director  
Oil Conservation Division

June 7, 2007

Mr. Robert E. Fielder  
Property Management & Consulting, Inc.  
P.O. Box 2596  
Farmington, NM 87499-2596

**Administrative Order NSL-5634**

**Re: West Largo Corp.  
Federal 15 Well No. 1  
F-15-28N-9W  
San Juan County**

Dear Mr. Fielder:

Reference is made to the following:

(a) your application (**administrative application reference No. pDKB07-15847321**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on May 7, 2007, on behalf of West Largo Corp. (West Largo), and

(b) the Division's records pertinent to this request.

West Largo has requested to drill its Federal 15 Well No. 1 at an unorthodox Fruitland Coal gas well location, 1985 feet from the North line and 2385 feet from the West line (Unit F) of Section 15, Township 28 North, Range 9 West, N.M.P.M., in San Juan County, New Mexico. The W/2 of Section 15 will be dedicated to this well in order to form a standard 320-acre gas spacing unit in the Basin-Fruitland Gas Pool (71629). This location is governed by Rule 7.A(1) of the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool, as amended by Order No. R-8768-F, effective July 17, 2003, which provides that a well shall be located at least 660 feet from any unit boundary. This location is less than 660 feet from the eastern unit boundary.

Your application has been duly filed under the provisions of Division Rules 104.F and 1210.A(2).

It is our understanding that West Largo is seeking this location for topographic reasons.

It is also understood that notice of this application to offsetting operators or owners is unnecessary because working interest ownership of the E/2 of Section 15, the unit towards which this location encroaches, is identical to that in the designated spacing unit for this well.

Pursuant to the authority granted me under the provisions of Division Rule 104.F(2), the above-described unorthodox location is hereby approved.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Fesmire". The signature is written in a cursive style with a horizontal line extending to the right.

Mark E. Fesmire, P.E.  
Director

MEF/db

cc: New Mexico Oil Conservation Division - Aztec  
United States Bureau of Land Management - Farmington