STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

GARREY CARRUTHERS

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

March 29, 1989

Union Texas Petroleum Corporation P.O. Box 2120 Houston, TX 77252-2120

Attention: Ken White

Regulatory Permit Coordinator

Administrative Order NSL-2643

Dear Mr. White:

Reference is made to your application of March 3, 1989 for a non-standard coal gas well location for your Johnston Federal Well No. 15 located 1680 feet from the North line and 1450 feet from the West line (Unit F) of Section 35, Township 31 North, Range 9 West, NMPM, Basin Fruitland Coal (Gas) Pool, San Juan County, New Mexico. The W/2 of said Section 35 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit.

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

New Mexico Oil & Gas Engineering Committee - Hobbs

US Bureau of Land Management - Farmington