



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

GARREY CARRUTHERS  
GOVERNOR

October 17, 1990

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

Union Oil Company of California  
3300 North Butler Avenue, Suite 200  
Farmington, NM 87401

Attention: Bill Hering

*Administrative Order NSL-2908*

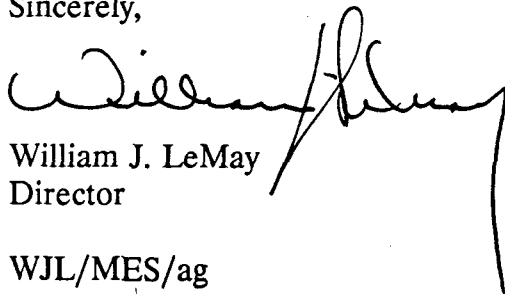
Dear Mr. Hering:

Reference is made to your application dated September 7, 1990 for a non-standard Basin-Fruitland coal gas well location for your existing Day "B" Well No. 6 which was drilled in 1960 and completed in the South Blanco Pictured Cliffs Pool at a standard gas well location 1700 feet from the North line and 1750 feet from the West line (Unit F) of Section 7, Township 27 North, Range 8 West, NMPM, San Juan County, New Mexico.

It is my understanding that the Pictured Cliffs zone will be properly plugged back and said well will be recompleted to the Basin-Fruitland Coal Gas Pool, which pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool as promulgated by Division Order No. R-8768, is unorthodox. Further, Lots 1 through 4 and the E/2 W/2 (W/2 equivalent) of said Section 7 shall be dedicated to the well forming a standard 320.44-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of said 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