



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

November 8, 1990

GARREY CARRUTHERS
GOVERNOR

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-2938

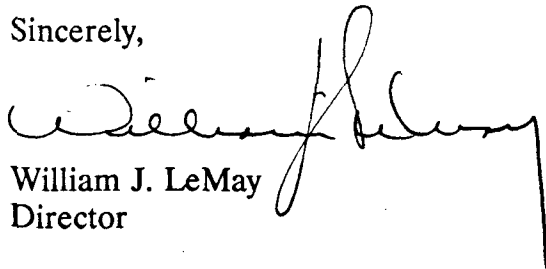
Dear Mr. Hering:

Reference is made to your application dated September 10, 1990 for a non-standard Basin-Fruitland coal gas well location for your existing Rincon Unit Well No. 56 which was drilled in 1953 and completed in the South Blanco Pictured Cliffs Pool at a standard gas well location 1650 feet from the South line and 1850 feet from the East line (Unit J) of Section 2, Township 26 North, Range 7 West, NMPM, Rio Arriba 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, the S/2 of said Section 2 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 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
NM State Land Office - Santa Fe