STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING GOVERNOR

February 12, 1991

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

Mitchell Energy Corporation 555 Seventeenth Street Suite 3500 Denver, CO 80202-3935

Attention: Albert Libersat

Administrative Order NSL-2988

Dear Mr. Libersat:

Reference is made to your application dated January 16, 1991, for a non-standard Basin-Fruitland coal gas well location for your existing Rosa Unit Well No. 83 which was drilled in 1981 and completed in the Basin-Dakota Pool at a standard gas well location 790 feet from the North line and 1730 feet from the West line (Unit C) of Section 15, Township 31 North, Range 4 West, NMPM, Rio Arriba County, New Mexico.

It is my understanding that the Dakota 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 W/2 of said Section 15 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

US Bureau of Land Management - Farmington