



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

April 25, 1991

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

BHP Petroleum (Americas) Inc.
5847 San Felipe, Suite 3600
Houston, TX 77057

Attention: Chuck Williams

Administrative Order NSL-3008

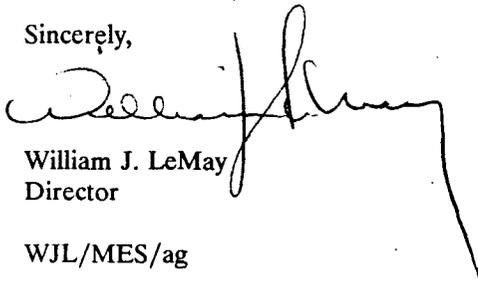
Dear Mr. Williams:

Reference is made to your application dated March 22, 1991 for a non-standard Undesignated North Pinon Fruitland Sand gas well location for your existing Gallegos Canyon Unit Well No. 28 which was drilled in 1953 and completed in the West Kutz-Pictured Cliff Pool at a previously approved unorthodox gas well location (authorized by letter dated May 12, 1953) 400 feet from the North line and 770 feet from the East line (Unit A) of Section 30, Township 29 North, Range 12 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 Undesignated North Pinon Fruitland Sand Pool, which pursuant to Division General Rule 104.C II (b), is unorthodox. Further, the NE/4 of said Section 30 shall be dedicated to the well forming a standard 160-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Division General Rule 104F.I. the above-described unorthodox 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