STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT



BRUCE KING

GOVERNOR

OIL CONSERVATION DIVISION

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

May 9, 1991

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

Attention: Albert Libersat

Administrative Order NSL-3010

Dear Mr. Libersat:

Reference is made to your application dated September 12, 1990 for a non-standard coal gas well location for your Rosa Unit Well No. 342 to be located 1950 feet from the North line and 2090 feet from the East line (Unit G) of Section 11, Township 31 North, Range 4 West, NMPM, Basin-Fruitland Coal Gas Pool, Rio Arriba County, New Mexico. The E/2 of said Section 11 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 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. LeMan Division Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec

US Bureau of Land Management - Farmington

US Forest Service - Blanco