STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

July 28, 1992

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

Evergreen Operating Corporation c/o A.R. Kendrick P.O. Box 516 Aztec, New Mexico 87410

Administrative Order NSL-3134

Dear Mr. Kendrick:

Reference is made to your application dated July 3, 1992 on behalf of the operator, Evergreen Operating Corporation, for a non-standard coal gas well location for the Rosa Unit Well No. 298 to be located 850 feet from the South line and 790 feet from the East line (Unit P) of Section 14, Township 31 North, Range 4 West, NMPM, Basin Fruitland Coal (Gas) Pool, Rio Arriba County, New Mexico. The S/2 of said Section 14 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, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

WILLIAM J. LEMA

Director

WJL/MES/jc

cc: Oil Conservation Division - Aztec

U.S. BLM - Farmington

U.S. - Forest Service - Blanco