STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

December 14, 1992

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

SG Interests I, Ltd. P.O. Box 421 Blanco, NM 87412-0421

Attention: A.M. O'Hare

Administrative Order NSL-3208

Dear Mr. O'Hare:

Reference is made to your application dated November 6, 1992 for a non-standard coal gas well location for your Federal 28-8-30 Well No. 1 to be located 1610 feet from the North line and 760 feet from the East line (Unit H) of Section 30, Township 28 North, Range 8 West, NMPM, Basin Fruitland Coal Gas Pool, San Juan County, New Mexico. The E/2 of said Section 30 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/amg

cc: Oil Conservation Division - Aztec

US Bureau of Land Management - Farmington