



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

May 13, 1993

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

BHP Petroleum (Americas), Inc.
P.O. Box 977
Farmington, NM 87499

Attention: Fred Lowry

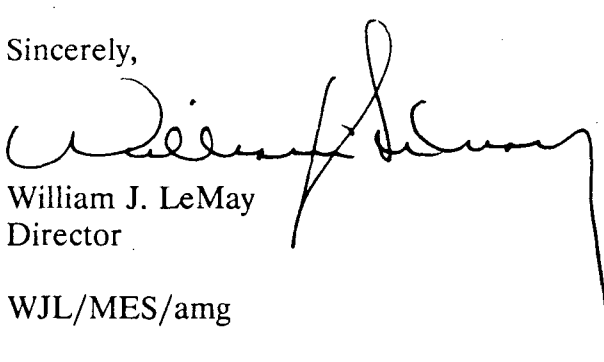
Administrative Order NSL-3237

Dear Mr. Lowry:

Reference is made to your application dated March 16, 1993 for a non-standard coal gas well location for your Gallegos Canyon Unit Well No. 410 which was drilled in October 1992 and located 2185 feet from the South line and 1825 feet from the West line (Unit K) of Section 35, Township 29 North, Range 12 West, NMPM, Basin Fruitland Coal Gas Pool, San Juan County, New Mexico. The S/2 of said Section 35 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. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Aztec