STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

March 10, 1994

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

Phillips Petroleum Company 5525 Highway 64 - NBU 3004 Farmington, NM 87401

Attention: A.J. Kieke

Administrative Order NSL-3364

Dear Kieke:

Reference is made to your application dated February 28, 1994 for a non-standard coal gas well location for your existing San Juan 29-6 Well No. 257 (API No. 30-039-25015) located 981 feet from the South line and 2020 feet from the West line (Unit N) of Section 9, Township 29 North, Range 6 West, NMPM, Basin Fruitland Coal Gas Pool, Rio Arriba County, New Mexico. The W/2 of said Section 9 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