STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

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

April 3, 1989

Robert L. Bayless P.O. Box 168 Farmington, NM 87499

Attention: Kevin H. McCord

Petroleum Engineer

Administrative Order NSP-1568

Dear Mr. McCord:

Reference is made to your application of February 13, 1989, for a 160-acre non-standard gas proration unit consisting of the following acreage in the Basin-Fruitland Coal (Gas) Pool:

SAN JUAN COUNTY, NEW MEXICO
TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM
Section 33: NE/4

It is my understanding that this unit is to be dedicated to your Inez Well No. 1 which is presently producing from the WAW Fruitland-Pictured Cliffs Sand Pool and is located at a standard coal gas well location 790 feet from the North line and 1850 feet from the East line (Unit B) of said Section 33.

By authority granted me under the provisions of Rule 6 of the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool, as promulgated by Division Order No. R-8768, the above non-standard gas proration unit is hereby approved.

Sincerely,

William J. LeMay

Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec

NM Oil and Gas Engineering Committee - Hobbs

U.S. Bureau of Land Management - Farmington