



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

January 29, 2002

Lori Wrotenbery

Director

Oil Conservation Division

Burlington Resources Oil & Gas Company

P. O. Box 4289

Farmington, New Mexico 87499-4289

Attention: Peggy Cole

pbradfield@br-inc.com

Telefax No. (505) 326-9833

Administrative Order NSL-4690

Dear Ms. Cole:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on January 9, 2002 (*application reference No. pKRV0-201445569*); and (ii) the records of the Division in Aztec and Santa Fe: all concerning Burlington Resources Oil & Gas Company's ("Burlington") request for an off-pattern non-standard Basin-Fruitland coal gas well location for the existing Lacky Well No. 9 (API No. 30-045-21562), located 869 feet from the North line and 890 feet from the West line (Unit D) of Section 34, Township 28 North, Range 9 West, NMPM, Basin-Fruitland Coal (Gas) Pool (71629), San Juan County, New Mexico.

According to the Division's well records the Lacky Well No. 9 was initially drilled in 1974 by El Paso Natural Gas Company and completed at a standard gas well location in the Otero-Chacra Pool within a standard 160-acre gas spacing and proration unit comprising the NW/4 of Section 34.

It is our understanding that Burlington intends to abandon the Chacra interval and plug-back and recomplete this well up-hole into the Basin-Fruitland Coal (Gas) Pool. Pursuant to the "*Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool*," as promulgated by Division Order No. R-8768, as amended, the location of this well is considered to be unorthodox. Further, the N/2 of Section 34 is to be dedicated to this well in order to form a standard 320-acre lay-down gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool.

By the authority granted me under the provisions of Rule 8 of these special pool rules the above-described unorthodox coal gas well location for the Lacky Well No. 9 is hereby approved.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington

