April 24, 2000

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

Attention:

S. Scott Prather



Administrative applications of Phillips Petroleum Company for exceptions to the well location requirements provided within the "Special Rules and Regulations for the Basin-Dakota (Gas) Pool", as promulgated by Division Order No. R-10987, as amended, for the San Juan "29-6" Unit Wells No. 81-M, 85-M, 91-M, 94-M, 100-M, and 101-M and San Juan "30-5" Unit No. 48-M. — 20-30N-5W

Dear Mr. Prather:

From conversations with the Aztec district office of the Division, it is my understanding that the above-described seven proposed locations are to be moved and re-staked at standard locations. Therefore, I am returning these applications to you at this time.

Thank you for your cooperation in this matter.

8/M - F-25-29N-6W

85M - 0-27-29N-6W

9/m - I-21-29N-6W

94m - F-16-29N-6W

100m- C-35-29N-6W

101M- 0-36-29N-6W

Sincerely,

Michael E. Stogner

Chief Hearing Officer/Engineer

cc:

New Mexico Oil Conservation Division - Aztec

Mr. Steve Salzman - U. S. Bureau of Land Management, Santa Fe

Mr. Neel McBride - U. S. Bureau of Land Management, Farmington

U. S. Forest Service - Bloomfield

Ms. Kathy Valdes, NMOCD - Santa Fe