



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

March 12, 2001

Lori Wrotenbery
Director
Oil Conservation Division

Burlington Resources Oil & Gas Company
P. O. Box 4289
Farmington, New Mexico 87499-4289
Attention: Peggy Cole

Telefax No. (505) 326-9833



Administrative Order NSL-4561

Dear Ms. Cole:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on February 15, 2001; and (ii) the Division's records in Santa Fe and Aztec: all concerning Burlington Resources Oil & Gas Company's ("Burlington") request for an unorthodox gas well location in the La Jara Pictured Cliffs and Basin-Dakota Pools for its proposed San Juan "30-6" Unit Well No. 91-R (30-039-26265) to be drilled at an unorthodox gas well location 1055 feet from the South line and 2560 feet from the East line (Unit O) of Section 28, Township 30 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

The E/2 of Section 28, being a standard 320-acre stand-up gas spacing and proration unit for the Basin-Dakota Pool, and the SE/4 of Section 28, being a standard 160-acre gas spacing and proration unit for the La Jara Pictured Cliffs Pool, are to be dedicated to the subject San Juan "30-6" Unit Well No. 91-R.

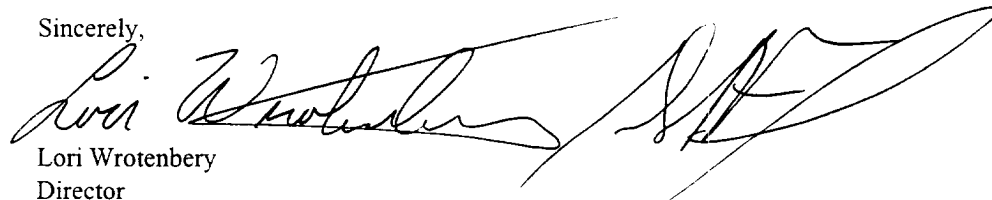
It is our understanding that Burlington intends to dually complete this well such that gas production from the Pictured Cliffs interval will be separated from the downhole commingled Blanco-Mesaverde and Basin-Dakota gas production stream (application pending).

This application has been duly filed under the provisions of Division Rules 104.F and 605.B and the applicable provisions of the "Special Rules for the Basin-Dakota Pool," as promulgated by Division Order No. R-10987-B, issued in Case No. 12290 dated June 30, 2000, as amended by Division Order No. R-10987-B (1).

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Basin-Dakota and La Jara Pictured Cliffs gas well location for the San Juan "30-6" Unit Well No. 91-R is hereby approved.

Further, both the Basin-Dakota and Blanco-Mesaverde intervals within the aforementioned well and respective spacing unit will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,



Lori Wrotenbery
Director

LW/MES/kv

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

X