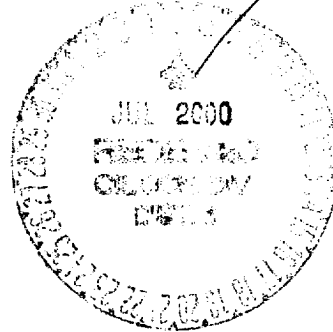


BURLINGTON RESOURCES

SAN JUAN DIVISION

Sent Federal Express June 30, 2000

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505



Re: San Juan 30-6 Unit #31Y
1205'FNL, 1300'FWL Section 33, T-30-N, R-6-W, Rio Arriba County
30-039-26375

Dear Mr. Stogner:

JS
Burlington Resources has applied for administrative approval of an unorthodox gas well location for the Basin Dakota. The San Juan 30-6 Unit #31E Basin Dakota well (30-039-26313) located at 1145'FNL, 1265'FWL in Section 33 was spud May 25, 2000. The hole developed problems and had to be plugged and abandoned on May 29, 2000. Application had not been made for the non-standard location of the #31E well. Permission was received from the Aztec District Office to skid the rig and drill the San Juan 30-6 Unit #31Y at the referenced location.

Both the #31E and the #31Y wells were staked on the existing pad of the San Juan 30-6 POW #2 (30-039-25331) located at 1120'FNL, 1330'FWL of Section 33, T-30-N, R-6-W. This well was drilled and completed strictly as a pressure observation well in the Fruitland Coal formation. Please see the attached location laydown diagram for the #31Y, which shows the #31E and the POW #2 wells.

The #31E and the subsequent #31Y were located on the existing pad to avoid as much further surface disturbance as possible, and to avoid the multiple gas pipelines, a powerline, and State Highway #527, also known as the Simms Mesa Highway as shown on the attached topographic map.

Burlington Resources believes there are no correlative rights issues because the encroachment is internal to the quarter-quarter section line. The San Juan 30-6 Unit #31Y well is offset by San Juan 30-6 Unit acreage and Burlington is the operator of the San Juan 30-6 Unit.

Please let me know if you have any questions or require further information.

Sincerely,

Peggy Cole
Regulatory Supervisor

xc: NMOCD - Aztec District Office
Bureau of Land Management

