



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

October 2, 2001

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-1121-A

Dear Ms. Cole:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on September 12, 2001 (*application reference No. pKRV0-126053975*); and (ii) the records of the Division in Aztec and Santa Fe: all concerning Burlington Resources Oil & Gas Company's ("Burlington") request for an exception to the well location requirements provided within the "*Special Rules for the Blanco-Mesaverde Pool*," as promulgated by New Mexico Oil Conservation Division ("Division") Order No. R-10987-A, issued in Case No. 12069 and dated February 1, 1999, of an unorthodox gas well for the existing San Jacinto Well No. 6-E (API No. 30-045-24057), located 1090 feet from the North line and 640 feet from the East line (Unit A) of Section 20, Township 29 North, Range 10 West, NMPM, Blanco-Mesaverde Pool (72319), San Juan County, New Mexico.

According to the Division's well records, the San Jacinto Well No. 6-E was drilled to a total depth of 6,561 feet in 1981 by El Paso Natural Gas Company and completed in the Basin-Dakota Pool. By Division Administrative Order NSL-1121, dated December 26, 1979, this unorthodox gas well location was approved as an infill well in the Basin-Dakota Pool within a standard 320-acre lay-down gas spacing and proration unit comprising the N/2 of Section 20. It is our understanding that Burlington intends to perforate the Blanco-Mesaverde gas interval and recompleat the well such that production from both intervals will be commingled downhole upon issuance of this order.

The N/2 of Section 20 is also to be dedicated this well to form a standard 320-acre lay-down gas spacing and proration unit within the Blanco-Mesaverde Pool.

The application has been duly filed under the provisions of Division Rules 104.F and 605.B.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Blanco-Mesaverde gas well location for the San Jacinto Well No. 6-E is hereby approved. Further, the aforementioned well and spacing unit will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New

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Mexico.

Further, the provisions of Division Administrative Order NSL-1121 shall remain in full force and effect until further notice.

Sincerely,



Lori Wrotenbery
Director



LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec /
U. S. Bureau of Land Management - Farmington
File: NSL-1121