



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

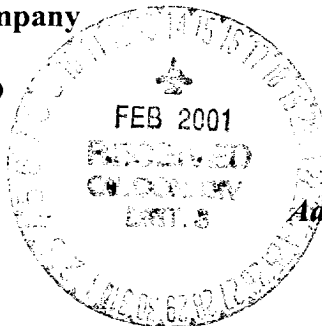
Governor
Jennifer A. Salisbury
Cabinet Secretary

February 9, 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-2242-A

Dear Ms. Cole:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on January 16, 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 Chacra formation for the existing Albright Well No. 8-A (API No. 30-045-26718) located 1908 feet from the South line and 634 feet from the West line (Lot 7/Unit L) of Section 15, Township 29 North, Range 10 West, NMPM, San Juan County, New Mexico. Lots 6, 7, 8, and 9 (SW/4 equivalent) of Section 15 is to be dedicated to this well in order to form a standard 158.60-acre gas spacing and proration unit for the Otero-Chacra Pool.

By Division Administrative Order NSL-2242, dated April 1, 1986, Union Texas Petroleum received authorization to drill to and complete the above-described Albright Well No. 8-A in the Blanco-Mesaverde Pool at an unorthodox gas well location within a standard 318.22-acre lay-down gas spacing and proration unit comprising Lots 5, 6, 7, 8, 9, and 10 and the E/2 SE/4 (S/2 equivalent) of Section 15. According to Division records, Burlington (Meridian Oil, Inc.) became the operator of this well on June 15, 1990.

It is our understanding that Burlington now intends to perforate the Chacra interval and recomplete the well such that production from both the Mesaverde and Chacra formations will be downhole commingled.

The location of this well within the Otero-Chacra Pool is also considered to be unorthodox, pursuant to Division Rule 104.C (3), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

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

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox gas well location within the Otero-Chacra Pool is hereby approved.

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Further all provisions of Division Order NSL-2242 shall remain in full force and affect until further notice.

Sincerely,



Lori Wrotenberg
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec /
U. S. Bureau of Land Management - Farmington
File: Division Administrative Order NSL-2242