NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

October 8, 1997

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

Administrative Order NSL-3881

Dear Ms. Bradfield:

Reference is made to your application dated September 12, 1997 for an unorthodox Blanco-Mesaverde "infill" gas well location on an existing standard 320-acre, more or less, gas spacing and proration unit ("GPU") for said Blanco-Mesaverde Pool, comprising the E/2 equivalent of Section 11, Township 30 North, Range 6 West, NMPM, Rio Arriba County, New Mexico. Said GPU is currently dedicated to the San Juan "30-6" Unit Well No. 46 (API No. 30-039-07889), located at a standard gas well location 1750 feet from the North line and 990 feet from the East line (Unit H) of said Section 11.

By the authority granted me under the provisions of Rule 2(d) of the "General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Blanco-Mesaverde Pool", as promulgated by Division Order No. R-8170, as amended, the following described well to be drilled at an unorthodox "infill" gas well location in said Section 11 is hereby approved:

San Juan "30-6" Unit Well No. 46-A 1450' FSL - 670' FEL (Unit I)

Further, both the San Juan "30-6" Unit Well Nos. 46 and 46-A are to be dedicated to the subject GPU, further said wells and GPU will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest New Mexico.

Sincerely,

William J. LeMay

Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Farmington