



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

May 7, 1998

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

Administrative Order NSL-4030

Dear Ms. Bradfield:

Reference is made to your application dated April 17, 1998 for a replacement Pictured Cliffs gas well to be drilled at an unorthodox gas well location within a standard 160-acre gas spacing and proration unit comprising the NE/4 of Section 11, Township 25 North, Range 8 West, NMPM, Ballard-Pictured Cliffs Pool, San Juan County, New Mexico.

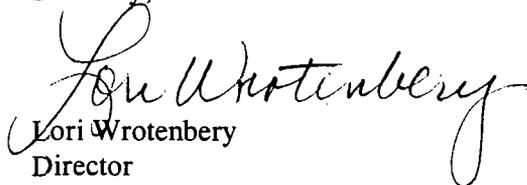
It is our understanding that the proposed Quitzau Well No. 8-R is to be located 2100 feet from the North line and 2255 feet from the East line (Unit G) of said Section 11.

Initial development of Ballard-Pictured Cliffs gas pool production within the subject 160-acre gas spacing and proration unit commenced in 1956 when Benson-Montin drilled its Quitzau Well No. 8 (API No. 30-045-13306) at a standard gas well location 1204 feet from the North line and 1160 feet from the East line (Unit A) of said Section 11. In 1993 Meridian Oil Company, successor operator, plugged and abandoned the Quitzau Well No. 8 well.

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox gas well location for the proposed Quitzau Well No. 8-R is hereby approved.

Sincerely,


Lori Wrotenbery
Director

LW/MES/kv

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