



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

October 13, 1998

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

Administrative Order NSL-4148

Dear Ms. Bradfield:

Reference is made to the following: (i) your two applications dated July 20, 1998 for exceptions to the well location requirements provided within the "Special Rules and Regulations for the Blanco-Mesaverde Pool/Special Rules and Regulations for the Basin-Dakota Pool," as promulgated by Division Order No. R-10987, for Burlington Resources Oil & Gas Company's ("Burlington") proposed Allison Unit Well No. 61 (API No. 30-045-29628) to be drilled at an unorthodox gas well location in both the Blanco-Mesaverde and Basin-Dakota Pools 800 feet from the North line and 2460 feet from the East line (Unit G) of Section 7, Township 32 North, Range 6 West, NMPM, San Juan County, New Mexico and Allison Unit Well No. 61-M (API No. 30-045-29629) to be drilled at an unorthodox infill gas well location in both the Blanco-Mesaverde and Basin-Dakota Pools 1880 feet from the North line and 1165 feet from the West line (Lot 5/Unit E) of Section 7; (ii) the Division's response to both of these applications by a letter from Mr. Michael E. Stogner dated August 13, 1998; (iii) your response letters with additional information submitted to the Division on September 22, 1998; (iv) the records of the Division in Santa Fe.

Blanco-Mesaverde and Basin-Dakota gas production attributed to both wells are to be dedicated to the previously authorized 308.78-acre non-standard gas spacing and proration units, both of which comprise the following described area:

SAN JUAN COUNTY, NEW MEXICO
TOWNSHIP 32 NORTH, RANGE 6 WEST, NMPM
Section 7: Lots 1 through 5, S/2 NE/4, and SE/4 NW/4
Section 8: Lots 3 and 4 and SW/4 NW/4.

By Division Order No. R-11003, issued in Case No. 11989 dated July 13, 1998, this 308.78-acre unit was approved for gas production from the Blanco-Mesaverde Pool. By Division Order No. R-2046, issued in Case No. 2327 dated August 14, 1961, as amended by Division Order No. R-2046-A, issued in Case No. 7479 dated March 2, 1982, the same acreage was designated a non-standard gas spacing and proration unit for Basin-Dakota Pool gas production.

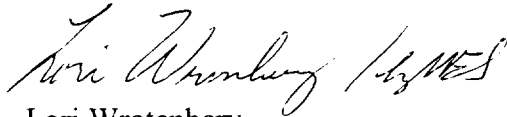
Both applications have been duly filed under the provisions of Rules 104.F and 605.B of the

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Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division Rule 104.F(2), the above-described unorthodox Basin-Dakota/Blanco-Mesaverde gas well locations for both the Allison Unit Well Nos. 61 and 61-M are hereby approved. These two wells and both of the previously authorized non-standard spacing units will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,



Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington
File: Case No. 11989