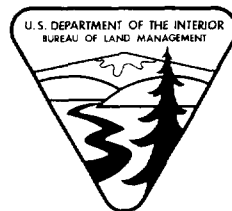




UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SAN JUAN RESOURCE AREA
701 Camino del Rio
Durango, CO 81301



In Reply Refer to:
CO-038

FEB 17 2000

New Mexico Oil Conservation Commission
attn.: Dave Catanach
2040 South Pacheco
Santa Fe, New Mexico

Subject: Docket, Thursday, February 17, 2000
Case 12290

Dear Mr. Catanach:

We have received notice that Burlington Resources will be presenting evidence to the New Mexico Oil Conservation Commission (NMOCD) on February 17, 2000 to amend the Special Rules and Regulations for the Basin-Dakota Gas Pool for the purposes of changing well location requirements for Dakota Wells contained within Rio Arriba and San Juan Counties, New Mexico.

We have met with Burlington Resources and the Ute Mountain Ute Tribe to discuss this proposal. The technical information and the proposal presented do not appear to have an impact on the mineral estate of the Ute Mountain Ute Reservation. Therefore, the Colorado San Juan Field Office of the Bureau of Land Management (BLM) concurs with the proposal. The BLM reserves the right to modify our final decision if different information is presented at the February 17, 2000 hearing.

In accordance with our 1999 Memorandum of Understanding (MOU), the NMOCD will not issue final binding orders relating to matters on Indian lands. If this order is to apply to Indian lands, the NMOCD will issue a draft order, within 45 days of the hearing, for the purpose of consideration by the BLM in making its decision. The BLM will review the draft order and make an independent evaluation of the evidence presented at the hearing and all other information in the administrative record.

Sincerely,

Calvin N. Joyner
San Juan Office Manager

cc: Ute Mountain Ute Tribe
Burlington Resources
G. D. Simon
Thomas Shipps
BIA, Ken Young