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Rec: 7-14-98

Susp: NA

Released: 7-22-98

July 22, 1998

**Burlington Resources Oil & Gas Company
P. O. Box 4289
Farmington, New Mexico 87499-4289**

Attention: Peggy Bradfield

Administrative Order NSL-432-A

Dear Ms. Bradfield:

Reference is made to your application dated June 22, 1998, but was not submitted to the New Mexico Oil Conservation Division ("Division") until July 14, 1998 for an exception 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 San Juan "28-5" Unit Well No. 81-M to be drilled at an unorthodox gas well location in both the Blanco-Mesaverde and Basin-Dakota Pools 2250 feet from the South line and 1675 feet from the East line (Unit J) of Section 26, Township 28 North, Range 5 West, NMPM, Rio Arriba County, New Mexico.

Gas production attributed to ^{the} said well from both pools is to be included in the existing standard 320-acre lay-down gas spacing and proration unit comprising the S/2 of said Section 26. Blanco-Mesaverde gas production is currently dedicated to Burlington's San Juan "28-5" Unit Well No. 3 (API No. 30-039-07298), located at a standard gas well location 960 feet from the South line and 1160 feet from the West line (Unit M) of said Section 26. Basin-Dakota gas production is currently dedicated to Burlington's San Juan "28-5" Unit Well No. 81 (API No. 30-039-20187), located at a previously approved unorthodox gas well location (see Division Administrative Order NSL-432, as amended) 600 feet from the South line and 1010 feet from the West line (Unit M) of said Section 26.

The application has been duly filed under the provisions of Division Rules 104.F and 605.B, etc.

By the authority granted me under the provisions of Division Rule 104.F(2), the above-described unorthodox Basin-Dakota/Blanco-Mesaverde infill gas well location for the San Juan "28-5" Unit Well No. 81-M is hereby approved. All of the aforementioned wells and both 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: NSL-432