

MURKINØIS.

June 27, 1998

Rec: 6-9-98

Susp: NA

Released: 6-29-98

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

Attention: Peggy Bradfield

Administrative Order NSL-977-A

Dear Ms. Bradfield:

Reference is made to your application dated June 9, 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 "27-4" Unit Well No. 101-M to be drilled at an unorthodox "infill" gas well location in both the Blanco-Mesaverde and Basin-Dakota Pools 730 feet from the South line and 1090 feet from the East line (Unit P) of Section 28, Township 27 North, Range 4 West, NMPM, Rio Arriba County, New Mexico.

Gas production attributed to ~~said~~ ^{the} well from both pools is to be included in the existing standard 320-acre stand-up gas spacing and proration unit comprising the E/2 of ~~said~~ Section 28, which production is currently dedicated to Burlington's San Juan "27-4" Unit Well No. 101 (API No. 30-039-20874), located at a previously approved unorthodox gas well location for both the Blanco-Mesaverde and Basin-Dakota Pools (see Division Administrative Order NSL-977, dated August 25, 1978) 2010 feet from the North line and 1690 feet from the East line (Unit G) of ~~said~~ Section 28.

The application has been duly filed under the provisions of Rules 104.F and 605.B of the 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 "infill" gas well location for the San Juan "27-4" Unit Well No. 101-M is hereby approved. Both of the aforementioned San Juan "27-4" Unit Well Nos. 101 and 101-M 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-977