



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

October 3, 1996

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

Administrative Order NSL-3712

Dear Ms. Bradfield:

Reference is made to your application dated September 6, 1996 for a non-standard Blanco-Mesaverde infill gas well location on an existing 320-acre standard gas spacing and proration unit ("GPU") for said Blanco-Mesaverde Pool comprising the E/2 of Section 34, Township 29 North, Range 10 West, NMPM, San Juan County, New Mexico. Said GPU presently has dedicated thereon the Pierce Fee "A" Well No. 4 (API No. 30-045-25432), located at a standard gas well location 1180 feet from the North line and 930 feet from the East line (Unit A) of said Section 34.

It is our understanding that the subject well in this application, the Zachry Well No. 49 (API No. 30-045-25610), was drilled in 1983 and completed Armenta-Gallup Oil Pool at a standard oil well location 660 feet from the South line and 1820 feet from the East line (Unit O) of said Section 34.

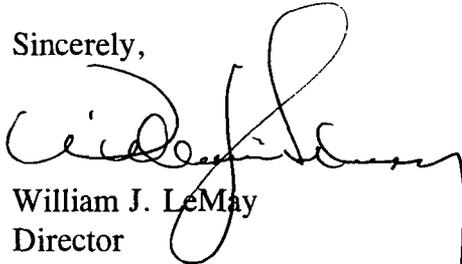
It is further understood that the Gallup interval in the Zachry Well No. 49 is to be properly plugged back at this time and that said well will be recompleted up-hole to the Blanco-Mesaverde Pool, which pursuant to **Rule 2(b)2** of the "*General Rules For The Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Blanco-Mesaverde Pool*", as promulgated by Division Order No. R-8170, as amended, the location is considered to be unorthodox.

By the authority granted me under the provisions of **Rule 2(d)** of said special pool rules the unorthodox infill gas well location of the Zachry Well No. 49 in the Blanco-Mesaverde Pool is hereby approved.

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Further, both the Pierce Fee "A" Well No. 4 and the Zachry Well No. 49 are to be dedicated to the subject GPU, further said wells and GPU will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest New Mexico.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec