



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

April 16, 1998

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

Administrative Order NSL-4006

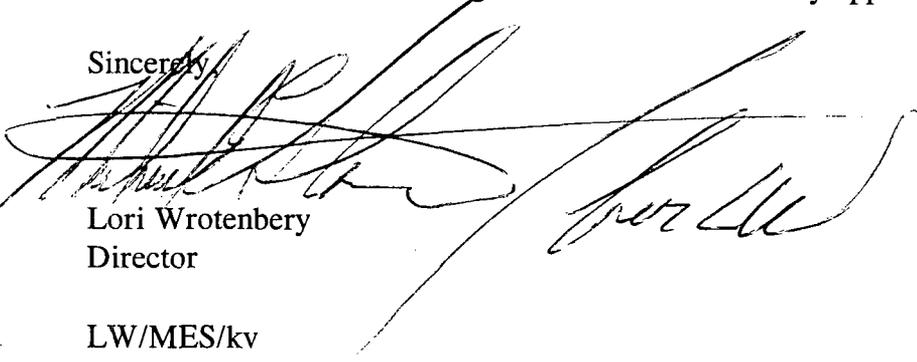
Dear Ms. Bradfield:

Reference is made to the following: (i) your original application dated March 12, 1998; (ii) the Division's initial response to said application by letter from Mr. Michael E. Stogner dated March 18, 1998; and, (iii) your response by fax dated April 16, 1998: all concerning Burlington Resources Oil & Gas Company's request for a non-standard Pictured Cliffs gas well location for the proposed Hanks Well No. 5-R to be drilled 295 feet from the South line and 560 feet from the West line (Lot 4/Unit M) of Section 7, Township 27 North, Range 9 West, NMPM, San Juan County, New Mexico. Lots 3 and 4 and the E/2 SW/4 (SW/4 equivalent) of said Section 7 are to be dedicated to said well in order to form a standard 161.58-acre gas spacing and proration unit for the Fulcher Kutz-Pictured Cliffs Pool.

This application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox gas well location is hereby approved.

Sincerely,


Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington