



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

June 25, 1998

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

Administrative Order NSL-4066

Dear Ms. Bradfield:

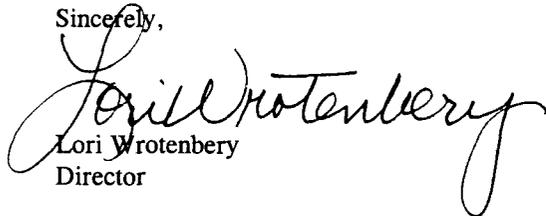
Reference is made to your application dated June 22, 1998 for an exception to the well location requirements provided within the "Special Rules and Regulations for the Blanco-Mesaverde Pool/Special Rules and Regulations for the Basin-Dakota Pool," as promulgated by Division Order No. R-10987, for Burlington Resources Oil & Gas Company's ("Burlington") proposed San Juan "28-5" Unit Well No. 103-M to be drilled at an unorthodox "infill" gas well location in both the Blanco-Mesaverde and Basin-Dakota Pools 670 feet from the South line and 1865 feet from the East line (Unit O) of Section 23, Township 28 North, Range 5 West, NMPM, Rio Arriba County, New Mexico.

Gas production from the Blanco-Mesaverde Pool is to be included in an existing standard 320-acre lay-down gas spacing and proration unit comprising the S/2 of Section 23 which is currently dedicated to Burlington's San Juan "28-5" Unit Well No. 55 (API No. 30-039-07369), located at a standard gas well location 1800 feet from the South line and 1020 feet from the West line (Unit L) of Section 23. Gas production from the Basin-Dakota Pool is to be included in an existing standard 320-acre stand-up gas spacing and proration unit comprising the E/2 of Section 23, which is currently dedicated to Burlington's San Juan "28-5" Unit Well No. 103 (API No. 30-039-21866), located at a standard gas well location 1840 feet from the North line and 1190 feet from the East line (Unit H) of Section 23.

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 "28-5" Unit Well No. 103-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