



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

October 13, 1998

Burlington Resources Oil & Gas Company
P. O. Box 51810
Midland, Texas 79710-1810
Attention: Maria L. Perez

Administrative Order NSL-4147(BHL)

Dear Ms. Perez:

Reference is made to your application dated September 17, 1998 for a non-standard subsurface gas producing area/bottomhole gas well location, pursuant to Division General Rule 104.F and 111.C(2) to be applicable to the Undesignated Ross Draw-Wolfcamp Gas Pool for Burlington Resources Oil and Gas Company's ("Burlington") El Paso "14" Federal Well No. 2 to be drilled from a surface location 1430 feet from the North line and 2310 feet from the West line (Unit F) of Section 14, Township 26 South, Range 30 East, NMPM, Eddy County, New Mexico. The N/2 of Section 14, being a standard 320-acre gas spacing and proration unit for the Undesignated Ross Draw-Wolfcamp Gas Pool, is to be dedicated to this well.

It is our understanding that Burlington intends to kickoff of the vertical portion of this wellbore in an east-southeasterly direction and drill a lateral horizontal drainhole through the Wolfcamp formation. Further, to allow for natural drift tendencies in normal vertical rotary drilling operations within this immediate area Burlington is requesting a larger than legal drilling window for this producing interval [see Division General Rules 104.B(1)(a) and 111.A(9)].

The applicable drilling window or "producing area" within the Wolfcamp formation for this wellbore shall include that area within the subject 320-acre gas spacing and proration unit comprising the N/2 of Section 14 that is:

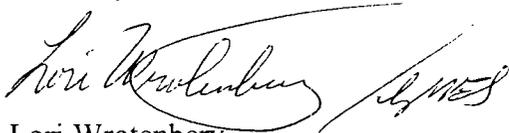
- (a) no closer than the normal set-back requirement of 660 feet to the North line of Section 14;
- (b) no closer than 1210 feet to the east boundary of the subject 320-acre tract;
- (c) no closer than 550 feet to the south boundary of the subject 320-acre tract; and,
- (d) no closer than the normal set-back requirement of 1650 feet to the West line of Section 14.

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By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described non-standard subsurface gas producing area/bottomhole gas well location for the Wolfcamp formation is hereby approved.

The operator shall comply with all provisions of Division General Rule 111 applicable in this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery" followed by a flourish.

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad