



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

October 20, 1998

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

Administrative Order NSL-4154

Dear Ms. Bradfield:

Reference is made to the following: (i) your initial application to the Division dated July 20, 1998; (ii) the Division's response to this application by letter from Mr. Michael E. Stogner, Division Hearing Examiner, dated July 23, 1998; (iii) Burlington Resources Oil & Gas Company's ("Burlington") response by letter from Mr. W. Thomas Kellahin, Legal Counsel dated September 11, 1998 with attachments; and, (iv) the records of the Division in Santa Fe: all of which concern Burlington's request 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 the proposed Allison Unit Well No. 26-M to be drilled at an unorthodox infill gas well location in both the Blanco-Mesaverde and Basin-Dakota Pools 2785 feet from the South line and 1270 feet from the West line (Lot 7/Unit L) of irregular Section 10, Township 32 North, Range 7 West, NMPM, San Juan County, New Mexico.

Gas production to be attributed to this well from both pools is to be included in an existing non-standard gas spacing and proration unit which was approved by Division Order No. R-2046, as amended, for Basin-Dakota Pool gas production and by Division Order No. R-2717, dated June 3, 1964, for Blanco-Mesaverde Pool gas production. This unit by virtue of a resurvey in 1964 comprises 411.44 acres, more or less, and encompasses Lots 5 through 13 of irregular Section 9, Township 32 North, Range 7 West, NMPM, San Juan County, New Mexico and Lots 5 through 7 of Section 10. Gas Production from both the Basin-Dakota and Blanco-Mesaverde Pools within this unit is currently dedicated to Burlington's Allison Unit Well No. 26 (API No. 30-045-11480), located at a standard gas well location for both the Blanco-Mesaverde and Basin-Dakota Pools 1650 feet from the South line and 825 feet from the East line (Lot 10/Unit I) of Section 9.

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 Allison Unit Well No. 26-M is hereby approved. Both of the aforementioned Allison Unit Well Nos. 26 and 26-M and both previously approved non-standard 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
W. Thomas Kellahin, Legal Counsel for Burlington - Santa Fe