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

March 8, 1999

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

Administrative Order NSL-4227

Dear Ms. Bradfield:

Reference is made to your application submitted to the New Mexico Oil Conservation Division on February 15, 1999 for an exception to the well location requirements provided within the "Special Rules and Regulations for the Basin-Dakota Pool," as promulgated by Division Order No. R-10987. The W/2 of Section 16, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico is to be dedicated to the proposed well in order to form a standard 320-acre gas spacing and proration unit for the Basin-Dakota Pool.

The application has been duly filed under the provisions of Division Rules 104.F and 605.B.

By the authority granted me under the provisions of Division Rule 104.F(2), the following described well to be drilled at an unorthodox gas well location in Section 16 is hereby approved:

EPNG Com. "C" Well No. 5 1910' FSL & 1380' FWL (Unit K) (API No. 30-045-29768).

Further, the aforementioned well and spacing unit 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

New Mexico State Land Office - Santa Fe