



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

January 29, 2004

Lori Wrotenbery

Director

Oil Conservation Division

Burlington Resources Oil & Gas Company, L.P.
P. O. Box 4289
Farmington, New Mexico 87499-4289

Attention: Joni Clark
Regulatory Specialist

Administrative Order NSL-4988

Dear Ms. Clark:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on January 9, 2004 (*administrative application reference No. pMES0-401467814*); and (ii) the records of the Division in Aztec and Santa Fe: all concerning Burlington Resources Oil & Gas Company's ("Burlington") request for exceptions to the well location requirements provided within both the:

(A) "*Special Rules for the Blanco-Mesaverde Pool*," as promulgated by Division Order No. R-10987-A, issued in Case No. 12069 and dated February 1, 1999, as amended by Division Order No. R-10987-A (1), dated December 2, 2002; and

(B) "*Special Rules for the Basin-Dakota Pool*," as promulgated by Division Order No. R-10987-B, issued in Case No. 12290 and dated June 30, 2000, as amended by Division Orders No. R-10987-B (1), dated August 10, 2000, and R-10987-B (2), dated January 29, 2002:

Burlington proposes to drill its Randleman Well No. 1-B (API No. **30-045-31932**) at an unorthodox gas well location in both the Blanco-Mesaverde (**72319**) and Basin-Dakota (**71599**) Pools 725 feet from the North line and 2390 feet from the West line (Unit C) of Section 13, Township 31 North, Range 11 West, NMPM, San Juan County, New Mexico.

Gas production from the Blanco-Mesaverde Pool is to be included within an existing standard 320-acre stand-up gas spacing and proration unit ("GPU") comprising the W/2 of Section 13, which is currently dedicated to Burlington's two: (i) Randleman Well No. 1 (API No. **30-045-10698**), located at a standard gas well location 1750 feet from the South line and 1650 feet from the West line (Unit K) of Section 13; and (ii) Randleman Well No. 1-A (API No. **30-045-22104**), located at a standard gas well location 1635 feet from the North line and 1150 feet from the West line (Unit E) of Section 13.

The proposed Randleman Well No. 1-B is to be an initial Dakota gas well within this same 320-acre stand-up GPU.

This application has been duly filed under the provisions of Division Rules 104.F and 605.B and the applicable rules governing both pools.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Basin-Dakota/Blanco-Mesaverde gas well location for the above-described Randleman Well No. 1-B 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

cc: New Mexico Oil Conservation Division – Aztec