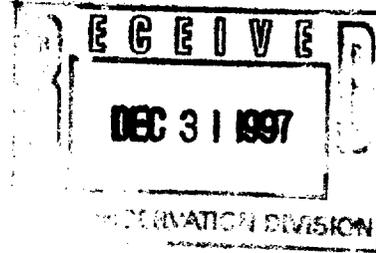


BURLINGTON RESOURCES

SAN JUAN DIVISION

December 23, 1997

Mr. William LeMay
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505



Re: Huerfano Unit #549
1190'FNL, 890'FEL Section 33, T-27-N, R-10-W
San Juan County, New Mexico
Fruitland Coal/Pictured Cliffs
30-045-28943

Dear Mr. LeMay:

This is a request for administrative approval for surface commingling the Fruitland Coal and Pictured Cliffs natural gas production in the subject well.

BAJIN (GAS)
71629

To comply with the New Mexico Oil Conservation Division rules, Burlington is submitting the following for your approval of this commingling:

1. a schematic diagram of the proposed installation;
2. a plat showing the location of all wells on lease and pool of each producing well;
3. annual production for each formation

Latest production data was in August 1997, which shows the Pictured Cliffs nor the Fruitland Coal makes liquids. There is no concern with the liquid hydrocarbon commingling.

There will be no decrease in value by commingling in this well.

We will consult with the Supervisor of the Aztec District Office of the New Mexico Oil Conservation Division to establish an allocation formula.

Please let me know if you require additional data.

Sincerely,

Peggy Bradfield

Peggy Bradfield
Regulatory/Compliance Administrator

encs.

WEST KUTZ
79680
(GAS)

Burlington Resources

DPNO: 35101A FOREMAN: 338 SWITCHER 312

WELLNAME: HUERFANO UNIT 549

LEASE #: NMSF-077950

UNIT: A SECTION: 33 TOWNSHIP: 027N RANGE: 010W COUNTY: 045

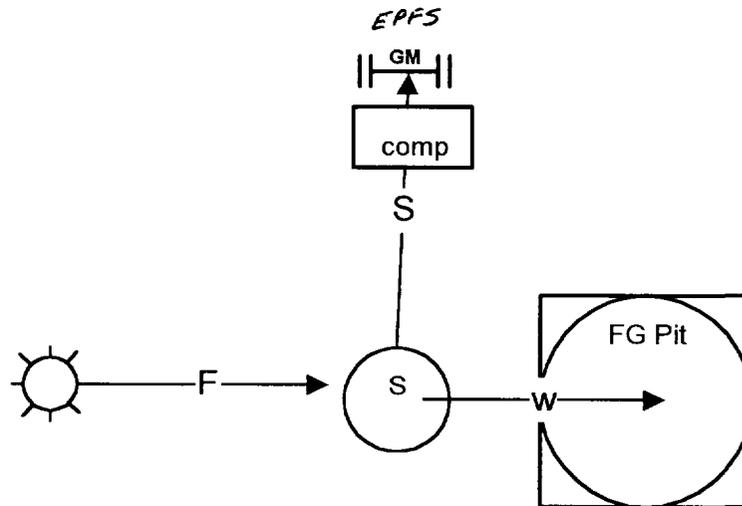
ORIGINAL:

REVISED:

This site security plan is located at:
 Burlington Resources
 3535 E. 30th Street
 Farmington, NM 87402



current diagram



Attachment to the Site Facility Diagram - Lease NM
 General sealing of valves. Sales by tank gauging

PRODUCTION PHASE: All drain valves and all sales valves are sealed closed.

SALES PHASE: The tank from which sales are being made will be isolated by sealing closed the drain valve, fill valve, and the equalizer valve(s) during sales

DRAINING PHASE: The tank being drained will be isolated by sealing closed the sales valve, fill equalizer valve(s), and the drain valves on the other tanks.

SEALING OF VALVES

- Tank S/T1 -
- Tank S/T2 -
- Tank S/T3 -
- Tank S/T4 -

Burlington Resources

DPNO: 35101A FOREMAN: 338 SWITCHER 312

WELLNAME: HUERFANO UNIT 549

LEASE #: NMSF-077950

UNIT: A SECTION: 33 TOWNSHIP: 027N RANGE: 010W COUNTY: 045

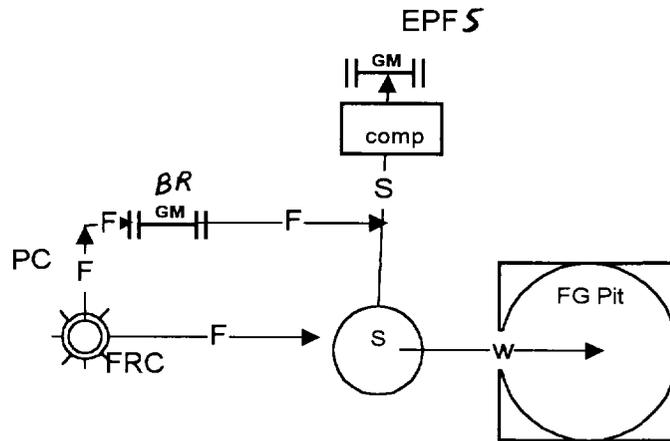
ORIGINAL:

REVISED:

This site security plan is located at:
 Burlington Resources
 3535 E. 30th Street
 Farmington, NM 87402



proposed diagram



Attachment to the Site Facility Diagram - Lease NM
 General sealing of valves. Sales by tank gauging

PRODUCTION PHASE: All drain valves and all sales valves are sealed closed.

SALES PHASE: The tank from which sales are being made will be isolated by sealing closed the drain valve, fill valve, and the equalizer valve(s) during sales

DRAINING PHASE: The tank being drained will be isolated by sealing closed the sales valve, fill equalizer valve(s), and the drain valves on the other tanks.

SEALING OF VALVES

- Tank S/T1 -
- Tank S/T2 -
- Tank S/T3 -
- Tank S/T4 -

T-27-N, R-10-W

Section 27:

Burlington Resources Oil & Gas Company

**Amoco Production Company
c/o Bruce Zimney
P.O. Box 800
Denver, CO 80201**

**Taurus Exploration USA, Inc.
2101 6th Avenue North
Birmingham, Alabama 35203-2784**

Section 28:

Burlington Resources Oil & Gas Company

**Amoco Production Company
c/o Bruce Zimney
P.O. Box 800
Denver CO 80201**

**Taurus Exploration USA, Inc.
2101 6th Avenue North
Birmingham, Alabama 35203-2784**

Sections 29, 32 & 33:

These sections are committed to the Huerfano Unit of which Burlington is the operator of all depths.

Section 34:

**Little O & G, Inc.
P.O. Box 1258
Farmington, NM 87499**

**Dugan Production Corporation
P.O. Box 420
Farmington, NM 87499**

T-26-N, R-10-W

Sections 3,4 & 5:

These sections are committed to the Huerfano Unit of which Burlington is the operator of all depths.

FARMINGTON

1997 MONTHLY PRODUCTION FOR 35101A

PHS030M1

HUERFANO UNIT 549

Basin (FRUITLAND COAL) FIELD

FRUITLAND COAL ZONE

MO	T	S	DAYS =====		OIL =====		=====			GAS =====		WATER	PRCD	C
			ON	PC	PROD	GRV	PC	PROD	ON	BTU	PRESS			
1	2	F					01	19701	31	958	15.025			
2	2	F					01	16041	28	944	15.025			
3	2	F					01	18689	31	967	15.025			
4	2	F					01	17692	30	951	15.025			
5	2	F					01	17524	31	1016	15.025			
6	2	F					01	13269	30	1016	15.025			
7	2	F					01	8961	26	1016	15.025			
8	2	F					01	13682	31	1016	15.025			
9														
10														
11														
12														

PF6 - RETURNS TO ANNUAL DISPLAY
PF10 - HELP INFORMATION

PF3 - TRANSFER TO UPDATE
PF9 - DISPLAY MONTHLY INJECTION

00/00/00 00:00:00:0

PRS 10/03/97

FARMINGTON

1997 MONTHLY PRODUCTION FOR 35101B

PHS030M1

HUERFANO UNIT 549

KUTZ PICTURED CLIFFS WEST (GAS FIELD

PICTURED CLIFFS ZONE

DAYS =====			OIL =====			=====			GAS =====					
MO	T	S	ON	PC	PROD	GRV	PC	PROD	ON	BTU	PRESS	WATER	PROD	C
1	2	F					01	8239	31	1016	15.025			
2	2	F					01	8178	28	1016	15.025			
3	2	F					01	8133	31	1016	15.025			
4	2	F					01	7995	30	1016	15.025			
5	2	F					01	7943	31	1016	15.025			
6	2	F					01	7891	30	1016	15.025			
7	2	F					01	7839	26	1016	15.025			
8	2	F					01	7787	31	1016	15.025			
9														
10														
11														
12														

PF6 - RETURNS TO ANNUAL DISPLAY
PF10 - HELP INFORMATION

PF3 - TRANSFER TO UPDATE
PF9 - DISPLAY MONTHLY INJECTION

00/00/00 00:00:00:0

PRS 10/03/97