



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

May 3, 2001

Lori Wrotenbery
Director
Oil Conservation Division

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

Telefax No. (505) 326-9833

Administrative Order NSL-4587

Dear Ms. Cole:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on April 4, 2001; and (ii) the Division's records in Santa Fe and Aztec: all concerning Burlington Resources Oil & Gas Company's ("Burlington") request for an off-pattern non-standard Basin-Fruitland coal gas well location for the existing Newsom "A" Well No. 20 (API No. 30-045-25753), located 1830 feet from the South line and 1760 feet from the East line (Unit J) of Section 4, Township 26 North, Range 8 West, NMPM, Basin-Fruitland Coal (Gas) Pool (71629), San Juan County, New Mexico.

It is our understanding that the Newsom "A" Well No. 20 is currently completed in the Blanco-Mesaverde Pool at a standard gas well location within a standard 320-acre lay-down gas spacing and proration unit comprising the S/2 of Section 4.

It is further understood that Burlington intends to abandon the Mesaverde interval in this well at this time and to recompleat up-hole into the Basin-Fruitland Coal (Gas) Pool. Pursuant to the *'Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool,'* as promulgated by Division Order No. R-8768, as amended, the location of this well however is considered to be unorthodox. Further, the S/2 of Section 4 is to be dedicated to this well in order to form a standard 320-acre lay-down gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool.

By the authority granted me under the provisions of Rule 8 of these special pool rules the above-described unorthodox coal gas well location for the Newsom "A" Well No. 20 is hereby approved.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington