



**NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT**

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

October 15, 1999

**Burlington Resources Oil & Gas Company  
c/o W. Thomas Kellahin  
P. O. Box 2265  
Santa Fe, New Mexico 87504-2265**

**Telefax No. (505) 982-2047**

***Administrative Order NSL-4367***

Dear Mr. Kellahin:

Reference is made to the following: (i) Burlington Resources Oil & Gas Company's ("Burlington") initial application that was submitted by Ms. Peggy Bradfield to the New Mexico Oil Conservation Division ("Division") on July 20, 1999; (ii) your meeting with Mr. Michael E., Stogner, Hearing Officer/Engineer with the Division in Santa Fe on Thursday, September 2, 1999; (iii) your telefaxed correspondence requesting the status of this application that was submitted to the Division on Monday, October 4, 1999; (iv) your telephone conversation with Mr. Stogner on October 4, 1999; (v) your letter dated October 15, 1999 with supplemental information; and (iii) the records of the Division: all concerning Burlington's request for an exception to the well location requirements provided within the "*Special Rules for the Blanco-Mesaverde Pool*," as promulgated by Division Order No. R-10987-A, for a non-standard Blanco-Mesaverde infill gas well location in an existing standard 317.83-acre stand-up gas spacing and proration unit ("GPU") for the Blanco-Mesaverde Pool comprising Lots 7 and 8, the S/2 NW/4, and the SW/4 (W/2 equivalent) of Section 3, Township 29 North, Range 7 West, NMPM, Rio Arriba County, New Mexico. This GPU is currently dedicated to Burlington's: (i) San Juan "29-7" Unit Well No. 11 (API No. 30-039-07681), located 660 feet from the South and West lines (Unit M) of Section 3; and (ii) San Juan "29-7" Unit Well No. 11-A (API No. 30-039-25564), located at a standard gas well location 900 feet from the North line and 790 feet from the West line (Lot 8/Unit D) of Section 3.

The application has been duly filed under the provisions applicable at the time the initial application by Burlington was filed of Division Rules 104.F and 605.B.

The geologic interpretation submitted with this application indicates that the proposed unorthodox infill gas well location will be at a more favorable geologic position within the Blanco-Mesaverde Pool underlying the NW/4 equivalent of Section 3. Topographic conditions further restrict placement of the subject well.

By the authority granted me under the provisions of Division Rule 104.F(2), the following described well to be drilled as the second infill well on this GPU at an unorthodox gas well location

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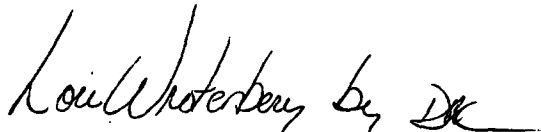
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in Section 3 is hereby approved:

**San Juan "29-7" Unit Well No. 11-C  
480' FNL & 1590' FWL (Lot 7/Unit C)  
(API No. 30-039-26126)**

Further, all three of the aforementioned San Juan "29-7" Unit Well Nos. 11, 11-A, and 11-C and existing GPU will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico and to the Blanco-Mesaverde Pool.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery", followed by a small mark that looks like "LW".

Lori Wrotenbery  
Director  
LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec  
U. S. Bureau of Land Management - Farmington  
Ms. Peggy Bradfield, Burlington Resources Oil & Gas Company - Farmington