

January 12, 1998

Burlington Resources Oil & Gas Company P. O. Box 51810 Midland, Texas 79710-1810 Attention: Maria L. Perez

Administrative Order NSL-3929(BHL)

Dear Ms. Perez:

Reference is made to your application dated December 1, 1997 for a non-standard subsurface gas producing area/bottomhole gas well location, pursuant to Division General Rule 104.F and 111.C(2) to be applicable to both the Undesignated Fairview Mills-Wolfcamp Gas Pool and the gas bearing Strawn formation for the existing Pitchfork "4" Federal Well No. 2 (API No. 30-025-30331), located at a standard surface location 1830 feet from the South line and 1980 feet from the West line (Unit K) of Section 4, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico. The S/2 of said Section 4, being a standard 320-acre gas spacing and proration unit for both intervals is to be dedicated to said well.

It is our understanding that said well is to be recompleted by side tracking off of the vertical portion of said wellbore and drilling directionally in order to further develop both the Wolfcamp and Strawn intervals whereby the subsurface locations in both zones are to be within a producing area that is considered to be unorthodox.

The geologic interpretation submitted with this application indicates that a well drilled at the proposed unorthodox gas well location will be at a more favorable geologic position within the Undesignated Fairview Mills-Wolfcamp Gas Pool than a well drilled at a location considered to be standard within the SW/4 equivalent of said Section 4.

The applicable drilling window or "producing area" within both the Undesignated Fairview Mills-Wolfcamp Gas Pool and gas bearing Strawn formation for said wellbore shall include that area within the subject 320-acre gas spacing and proration unit comprising the S/2 of said Section 4 that is:

- (a) no closer than 330 feet to the northern boundary of said 320-acre unit;
- (b) no closer than 1650 feet from the East and West lines of said Section 4; and,

(c) no closer than 660 feet from the South line of said Section 4.

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described non-standard subsurface gas producing area/bottomhole gas well location for both the Undesignated Fairview Mills-Wolfcamp Gas Pool and gas bearing Strawn interval is hereby approved.

The operator shall comply with all provisions of Division General Rule 111 applicable in this matter.

Sincerely,

Kathleen A. Garland

Director

KAG/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs

U. S. Bureau of Land Management - Carlsbad