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

February 17, 1998

Conoco, Inc.

10 Desta Drive - Suite 100W Midland, Texas 79705-4500 Attention: Kay Maddox

Administrative Order NSL-3952

Dear Ms. Maddox:

Reference is made to your application dated February 8, 1998, which was received by the Division in Santa Fe on February 12, 1998, for an unorthodox gas well location in both the Blanco-Mesaverde and Basin-Dakota Pools for the proposed San Juan "28-7" Unit Well No. 249-M to be drilled 855 feet from the South line and 2325 feet from the East line (Unit O) of Section 30, Township 28 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

The existing standard 320-acre gas spacing and proration unit in the Blanco-Mesaverde Pool comprising the E/2 of said Section 30, which is presently dedicated to Conoco Inc.'s San Juan "28-7" Unit Well No. 57 (API No. 30-039-07314), located at a standard gas well location 1840 feet from the North line and 1460 feet from the East line (Unit G) of said Section 30, and a standard 320-acre gas spacing and proration unit for the Basin Dakota Pool, also comprising the E/2 of said Section 30, are to be dedicated to said well.

By the authority granted me under the provisions of Rule 2(d) of the "General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Blanco-Mesaverde Pool/Special Rules and Regulations for the Basin-Dakota Pool," as promulgated by Division Order No. R-8170, as amended, the above-described unorthodox gas well location for the San Juan "28-7" Unit Well No. 249-A is hereby approved.

Sincerely-

Fori Wrotenbery

Director

LW/MES/kv

cc:

New Mexico Oil Conservation Division - Aztec U. S. Bureau of Land Management - Farmington W. Thomas Kellahin, Counsel - Santa Fe Jimmy D. Carlile, Conoco, Inc. - Midland, Texas