

April 20, 1998

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

Administrative Order NSL-4009

Dear Ms. Bradfield:

Reference is made to your application dated March 27, 1998 for an unorthodox gas well location in both the Blanco-Mesaverde and Basin-Dakota Pools for the existing Grenier "B" Well No. 3 (API No. 30-045-08695) 1225 feet from the South line and 2070 feet from the West line (Lot 15/Unit K) of irregular Section 5, Township 29 North, Range 10 West, NMPM, San Juan County, New Mexico.

Production from both pools in said well are to be included in the existing standard 294.52acre gas spacing and proration units comprising Lots 13 through 20 (S/2 equivalent) of said Section 5, which production is currently dedicated to the applicant's Grenier "B" Well No. 3-E (API No. 30-045-24884), located at a standard gas well location for both the Blanco-Mesaverde and Basin-Dakota Pools 1530 feet from the South line and 1530 feet from the East line (Lot 13/Unit J) of said Section 5.

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 Dakota/Mesaverde gas well location for the Grenier "B" Well No. 3 is hereby approved.

Sincerely,

Wrotenberg Lori Wrotenbery

Director

LW/MES/kv

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