



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

January 20, 1999

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

Administrative Order NSL-4198

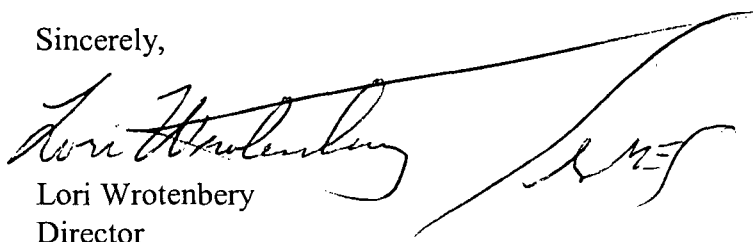
Dear Ms. Bradfield:

Reference is made to your application dated January 18, 1999 for a non-standard gas well location for the proposed Reese Federal Well No. 1-R to be drilled 1280 feet from the South line and 1210 feet from the East line (Unit P) of Section 17, Township 27 North, Range 9 West, NMPM, to test the Pictured Cliffs formation, San Juan County, New Mexico. The SE/4 of Section 17 shall be dedicated to the well in order to form a standard 160-acre gas spacing and proration unit for the Fulcher Kutz-Pictured Cliffs Pool.

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox gas well location is hereby approved.

Sincerely,



Lori Wrotenbery
Director

LW/MES/kv

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