



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

May 25, 1999

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

Administrative Order NSL-4288

Dear Ms. Bradfield:

Reference is made to your application submitted to the New Mexico Oil Conservation Division ("Division") on May 5, 1999 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 308.68-acre stand-up gas spacing and proration unit for the Blanco-Mesaverde Pool comprising Lots 1, 2, 7, 8, 9, 10, 15, and 16 (E/2 equivalent) of Section 8, Township 29 North, Range 10 West, NMPM, San Juan County, New Mexico. This unit is currently dedicated to Burlington Resources Oil & Gas Company's ("Burlington") Nye Federal Well No. 2 (API No. 30-045-08566), located at a standard gas well location 1600 feet from the North line and 1630 feet from the East line (Lot 7/Unit G) of Section 8.

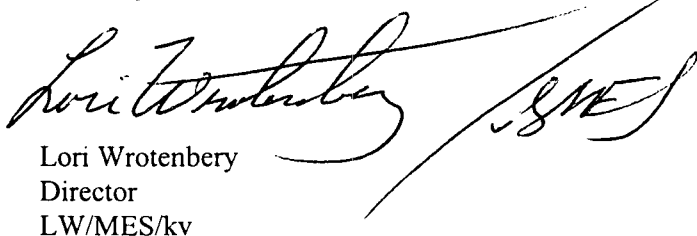
The application has been duly filed under the provisions of Division Rules 104.F and 605.B.

By the authority granted me under the provisions of Division Rule 104.F(2), the following described well to be drilled at an unorthodox infill gas well location in Section 8 is hereby approved:

Nye Federal Well No. 2-A
1780' FSL & 245' FEL (Lot 9/Unit I)
(API No. 30-045-29851).

Further, both of the aforementioned Nye Federal Well Nos. 2 and 2-A and existing gas spacing and proration unit will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,


Lori Wrotenbery
Director
LW/MES/kv

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