



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

May 27, 1999

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

Telefax No. (817) 870-1671

Administrative Order NSL-4291

Dear Ms. Bradfield:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on May 24, 1999; and (ii) the Division's records in Santa Fe: all concerning Burlington Resources Oil & Gas Company's ("Burlington") request for an off-pattern non-standard Basin-Fruitland coal gas well location for the existing Huerfano Unit Well No. 118 (API No. 30-045-21322), located 1650 feet from the South and East lines (Unit J) of Section 30, Township 27 North, Range 10 West, NMPM, Basin-Fruitland Coal (Gas) Pool, San Juan County, New Mexico.

According to the Division's well records the Huerfano Unit Well No. 118 was initially drilled in 1973 by El Paso Natural Gas Company and completed at a standard gas well location in the Basin-Dakota Pool within a standard 320-acre gas spacing and proration unit comprising the E/2 of Section 30.

It is our understanding that Burlington intends to abandon the Dakota interval in this well at this time and to recomplete up-hole into the Basin-Fruitland Coal (Gas) Pool. Pursuant to the "*Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool*," as promulgated by Division Order No. R-8768, as amended, the location of this well is considered to be unorthodox. Further, Lots 3 and 4, the E/2 SW/4, and the SE/4 (S/2 equivalent) of Section 30 is to be dedicated to this well in order to form a standard 327.64-acre lay-down gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool.

By the authority granted me under the provisions of Rule 8 of these special pool rules the above-described unorthodox coal gas well location for the Huerfano Unit Well No. 118 is hereby approved.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

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