



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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Cabinet Secretary

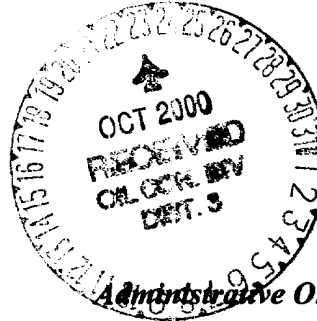
October 19, 2000

Lori Wrotenbery

Director

Oil Conservation Division

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



Dear Mr. Cole:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on September 27, 2000; and (ii) the Division's records in Santa Fe: all concerning Burlington Resources Oil & Gas Company's ("Burlington") request for a non-standard Tocito oil well location for the Johnson "A" Com C Well No. 9-A (API No. 30-039-25979), which was recently drilled to a total depth of 7,725 feet and completed in the Basin-Dakota and Blanco-Mesaverde Pools within a standard stand-up gas spacing and proration unit for both pools comprising the W/2 of Section 36, Township 27 North, Range 6 West, NMPM, Rio Arriba County, New Mexico, at a standard gas well location for both gas pools 1470 feet from the North line and 1745 feet from the West line (Unit F) of Section 36.

It is our understanding that Burlington intends to downhole commingle all three intervals within the subject wellbore; however, pursuant to RULE 3 of the "*Special Rules and Regulations for the South Blanco-Tocito Oil Pool*", as promulgated by Division Order No. R-1191, as amended, the location of the Johnson "A" Com. C Well No. 9-A is considered to be unorthodox. Further, the S/2 NW/4 of Section 36 is to be dedicated to the well in order to form a standard 80-acre lay-down oil spacing and proration unit for this pool.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

By the authority granted me under the provision of the "*Special Rules and Regulations for the South Blanco-Tocito Oil Pool*" and Division Rule 104.F (2), the above-described unorthodox Tocito oil well location is hereby approved.

Please note that in the future, Burlington, as a prudent operator, should take all necessary steps to locate wells at a location considered to be standard for all possible zones to be encountered and should be more cognizant of well location requirements for different producing horizons in the

San Juan Basin.

Sincerely,

A handwritten signature in black ink, appearing to read "Lori Wrotenbery", followed by a large, stylized flourish or scribble.

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec /
New Mexico State Land Office - Santa Fe