



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

March 29, 2001

Lori Wrotenbery

Director

Oil Conservation Division

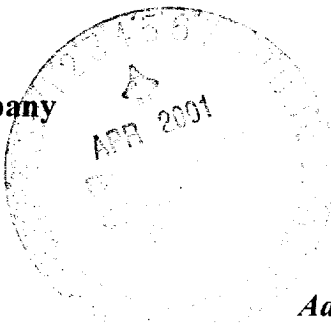
Burlington Resources Oil & Gas Company

P. O. Box 4289

Farmington, New Mexico 87499-4289

Attention: Peggy Cole

Telefax No. (505) 326-9833



Administrative Order NSL-4571

Dear Ms. Cole:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on February 22, 2001; (ii) the Division's initial response by letter dated March 19, 2001 from Mr. Michael E. Stogner, Engineer in Santa Fe; (iii) your response by letter dated March 28, 2001 with additional data; and (iv) the records of the Division in Santa Fe and Aztec: all concerning Burlington Resources Oil & Gas Company's ("Burlington's") request for an exception to the well location requirements provided within the *"Special Rules and Regulations for the Basin-Dakota Pool,"* as promulgated by Division Order No. R-10987-B, issued in Case No. 12290 dated June 30, 2000 for a non-standard infill gas well location within an existing standard 320-acre stand-up gas spacing and proration unit for the Basin-Dakota Pool comprising the E/2 of Section 32, Township 27 North, Range 4 West, NMPM, Rio Arriba County, New Mexico. This unit is currently dedicated to Burlington's San Juan "27-4" Unit Well No. 54 (API No. 30-039-20141), located at a standard initial gas well location 810 feet from the North line and 910 feet from the East line (Unit A) of Section 32.

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 32 is hereby approved:

San Juan "27-4" Unit Well No. 54-M

1940' FSL & 100' FEL (Unit I) - 32-27N-4W

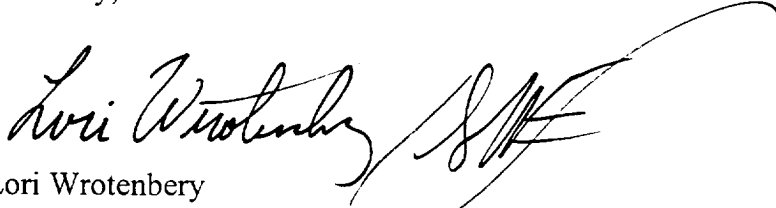
(API No. 30-039-26455)

Further, both of the aforementioned San Juan "27-4" Unit Wells No. 54 and 54-M and existing gas spacing and proration unit will be subject to all existing rules, regulations, policies, and

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procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery", followed by a large, stylized flourish or initial.

Lori Wrotenbery
Director

LW/MES/kv

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