



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

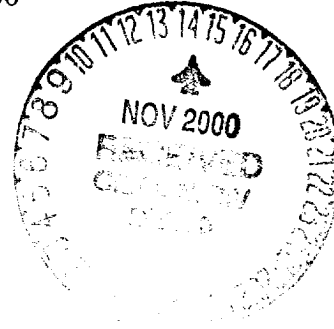
GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

30-039-26603

Lori Wrotenbery
Director
Oil Conservation Division

November 13, 2000

Conoco, Inc.
600 N. Dairy Ashford Dubai 3066
Houston, Texas 77079



Attention: Deborah Marberry

Re: Administrative application 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 and dated June 30, 2000, as amended by Division Order No. R-10987-A (1), dated August 10, 2000, for Conoco, Inc.'s proposed San Juan "28-7" Unit Well No. 238-F to be drilled at an unorthodox Basin-Dakota gas well location 125 feet from the South line and 2330 feet from the West line (Unit N) of Section 29, Township 28 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

Dear Ms. Marberry:

In order for the Division to complete its review of your application dated October 5, 2000, please submit a copy of the Basin-Dakota participating area for the San Juan "28-7" Unit. Thank you.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Aztec
New Mexico State Land Office - Santa Fe
U. S. Bureau of Land Management - Farmington
W. Thomas Kellahin, Legal Counsel for Conoco, Inc. - Santa Fe
Ms. Lori Wrotenbery, Director NMOCD - Santa Fe
Ms. Yolanda Perez, Conoco, Inc. - Houston