

DPB

BURLINGTON RESOURCES

SAN JUAN DIVISION

File: NSL-4886

Sent Federal Express April 29, 2003

MAY 19 2003

Eagle Oil & Gas Co.
MAY 02 2003
Wichita Falls, Texas

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

Re: San Juan 29-7 Unit #189
770'FNL, 320'FWL Section 14, T-29-N, R-7-W, Rio Arriba County
30-039-27313

Dear Mr. Stogner:

Burlington Resources is applying for administrative approval of an unorthodox gas well location for the Blanco Pictured Cliffs.

The subject well was originally planned as a single Pictured Cliffs wells and staked at this location for geologic reasons as explained on the attachments and to utilize the existing wellpad of the San Juan 29-7 Unit #54B Blanco Mesaverde (30-039-25258) located at 780'FNL, 400'FWL in Section 14. It has since been decided to add the Basin Fruitland Coal formation to this well and down hole commingle both formations. An application for down hole commingle will be made. The Basin Fruitland Coal is at a standard location within the San Juan 29-7 federal unit, and is within the determined low productivity area per Order R-8768-C dated October 15, 2002.

The San Juan 29-7 Unit #54A Blanco Mesaverde (30-039-23952) is located at a standard Pictured Cliffs location at 1120'FNL, 1850'FWL of Section 14 and was considered as a recompletion candidate for the Pictured Cliffs; however it shows poor neutron-density crossover response as explained in the attached geologic exhibit.

Production from the Pictured Cliffs is to be included in a 160 acre gas spacing and proration unit comprising of the northwest quarter of Section 14.

The following attachments are for your review:

- Application for Permit to Drill
- Intent Sundry to add the Basin Fruitland Coal
- Completed C-102 at referenced location
- Offset operators/owners plat
- Geology Explanation and Map
- Participating Area Map
- Existing Well Map

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San Juan 29-7 Unit #189

Three copies of this application are being submitted to offset operators/owners by certified mail with a request that they furnish you with a Waiver of Objection, keep one copy for their files and return one copy to this office. Please let me know if you have any questions about this application.

Sincerely,

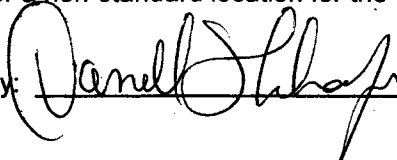
BURLINGTON RESOURCES



Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Aztec District Office
Bureau of Land Management – Farmington Field Office

DPH:1, Dan H. & Pat S. Bolin WAIVER
hereby waives objection to Burlington Resources' application
for a non-standard location for the San Juan 29-7 Unit #189 as proposed above.

By:  Date: 5-12-03