STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO SANTA FE, NEW MEXICO 87505 (505) 827-7131

December 3, 1996

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

Administrative Order NSL-3741

Dear Ms. Bradfield:

Reference is made to your application date November 11, 1996 for an unorthodox coal gas well location for the proposed Kah Des Pah Well No. 500 to be drilled 1130 feet from the South line and 2105 feet from the West line (Unit N) of Section 18, Township 26 North, Range 8 West, NMPM, Basin Fruitland Coal (Gas) Pool, San Juan County, New Mexico. Lots 1, 2, 3, and 4 and the E/2 W/2 of said Section 18 shall be dedicated to said well to form a standard 320.28-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of the "Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool", as promulgated by Division Order No. R-8768, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

William J. LeMa

Director

WJL/MES/kv

cc: Oil Conservation Division - Azte

U.S. Bureau of Land Management - Farmington