



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

August 27, 1998

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

AMENDED Administrative Order NSL-4071

Dear Ms. Bradfield:

Reference is made to your application dated August 24, 1998 to amend Division Administrative Order NSL-4071, dated June 29, 1998, which order authorized Burlington Resources Oil & Gas Company ("Burlington") to drill its San Juan "27-4" Unit Well No. 44-E (API No. 30-039-25853) at an unorthodox infill gas well location 1525 feet from the South line and 1950 feet from the East line (Unit J) of Section 18, Township 27 North, Range 4 West, NMPM, Rio Arriba County, New Mexico.

It is our understanding while drilling the San Juan "27-4" Unit Well No. 44-E Burlington experienced casing failure that resulted in the abandonment of this wellbore prior to reaching total depth. The drilling rig was skidded to the north approximately 40 feet and a replacement wellbore, designated the San Juan "27-4" Unit Well No. 44-F (API No. 30-039-25940), was commenced.

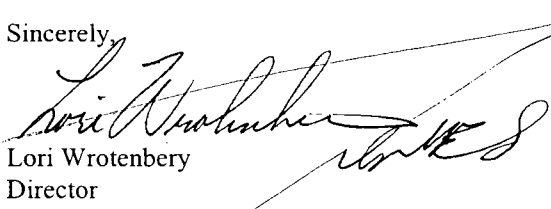
This amended application has been duly filed under the provisions of Rules 104.F and 605.B of the Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of the "*Special Rules and Regulations for the Basin-Dakota Pool*," as promulgated by Division Order No. R-10987, and Division Rule 104.F(2), Burlington is hereby authorized to drill and complete its San Juan "27-4" Unit Well No. 44-F as an infill Basin-Dakota gas well at an unorthodox location 1565 feet from the South line and 1950 feet from the East line (Unit J) of Section 18. Both the San Juan "27-4" Unit Well Nos. 44-F and existing San Juan "27-4" Unit Well No. 44 (API No. 30-039-20125), located a standard gas well location 1825 feet from the North line and 1190 feet from the East line (Unit H) of Section 18, are to be dedicated to the existing standard 320-acre stand-up gas spacing and proration unit for that comprises the E/2 of Section 18.

Further, both of the aforementioned San Juan "27-4" Unit Well Nos. 44 and 44-F and existing gas spacing and proration unit will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Original Administrative Order NSL-4071 shall be placed in abeyance until further notice.

Sincerely,


Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington
File: NSL-4071