



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

June 29, 1998

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

Administrative Order NSL-4082

Dear Ms. Bradfield:

Reference is made to your application submitted to the New Mexico Oil Conservation Division ("Division") on June 24, 1998 for an exception to the well location requirements provided within the "*Special Rules and Regulations for the Blanco-Mesaverde Pool/Special Rules and Regulations for the Basin-Dakota Pool*," as promulgated by Division Order No. R-10987, for Burlington Resources Oil & Gas Company's ("Burlington") proposed Allison Unit Well No. 24-A (API No. 30-045-29614) to be drilled at an unorthodox gas well location in both the Blanco-Mesaverde and Basin-Dakota Pools 1145 feet from the South line and 1305 feet from the East line (Unit P) of Section 7, Township 32 North, Range 6 West, NMPM, San Juan County, New Mexico.

Gas production from the Blanco-Mesaverde Pool is to be included in an existing standard 318.27-acre lay-down gas spacing and proration unit comprising Lots 6 and 7, the E/2 SW/4, and the SE/4 (S/2 equivalent) of Section 7, which is currently dedicated to Burlington's Allison Unit Well No. 24 (API No. 30-045-13187), located at a standard gas well location 890 feet from the South line and 990 feet from the West line (Lot 7/Unit M) of Section 7.

The S/2 equivalent of Section 7, being a standard 318.27-acre gas spacing and proration unit for the Basin Dakota Pool, is also to be dedicated to the proposed Allison Unit Well No. 24-A.

The application has been duly filed under the provisions of Division 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 Division Rule 104.F(2), the above-described unorthodox Blanco-Mesaverde "infill" gas well location and Basin-Dakota gas well location for the Allison Unit Well No. 24-A is hereby approved. Both of the aforementioned Allison Unit Well Nos. 24 and 24-A and both spacing units will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,


Lori Wrotenberg
Director

LW/MES/kv

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