

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor Jennifer A. Salisbury Cabinet Secretary

August 17, 2000

Lori Wrotenbery Director Oil Conservation Division

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

Administrative Order NSL-4502

Dear Ms. Cole:

Reference is made to your application submitted to the New Mexico Oil Conservation Division ("Division") on June 23, 2000 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, for a non-standard Basin-Dakota infill gas well location within an existing standard 320-acre lay-down gas spacing and proration unit for the Basin-Dakota Pool comprising the N/2 of Section 9, Township 27 North, Range 5 West, NMPM, Rio Arriba County, New Mexico. This unit is currently dedicated to Burlington's San Juan "27-5" Unit Well No. 83 (API No. 30-039-20208), located a standard gas well location 790 feet from the North line and 1560 feet from the East line (Unit B) of Section 9.

The application has been duly filed under the provisions of Division Rules 104.F and 605.B.

By the authority granted me under the provisions of Division Rule 104.F (2), the following described well to be drilled at an unorthodox infill gas well location in Section 9 is hereby approved:

San Juan "27-5" Unit Well No. 83-M 2550' FNL & 2075' FWL (Unit F) (API No. 30-039-26292)

Further, both of the aforementioned San Juan "27-5" Unit Well Nos. 83 and 83-M 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.

Sincerely, Lori Wrotenbery Director

Director

LW/MES/kv

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