



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

September 26, 2000

Burlington Resources Oil & Gas Company

P. O. Box 4289

Farmington, New Mexico 87499-4289

Attention: Peggy Cole

Telefax No. (505) 326-9833

Administrative Order NSL-4509

Dear Ms. Cole:

Reference is made to your application submitted to the New Mexico Oil Conservation Division ("Division") on September 6, 2000 for an exception to the well location requirements provided within the: (i) the "*Special Rules for the Blanco-Mesaverde Pool*," as promulgated by Division Order No. R-10987-A, issued in Case No. 12069 dated February 1, 1999; and (ii) the "*Special Rules for the Basin-Dakota Pool*," as promulgated by Division Order No. R-10987-B, issued in Case No. 12290 dated June 30, 2000, as amended by Division Order No. R-10987-B (1), for Burlington Resources Oil & Gas Company's ("Burlington") proposed Seymour Well No. 3-B (**API No. 30-045-30147**) to be drilled at an unorthodox gas well location in both the Blanco-Mesaverde and Basin-Dakota Pools 2305 feet from the South and East lines (Lot 10/Unit J) of Section 24, Township 31 North, Range 9 West, NMPM, San Juan County, New Mexico.

Gas production from the Blanco-Mesaverde Pool is to be included in an existing standard 319.37-acre stand-up gas spacing and proration unit comprising Lots 1, 2, 7, 8, 9, and 10 and the S/2 SE/4 (E/2 equivalent) of Section 24, which is currently dedicated to Burlington's: (i) Seymour Well No. 3 (**API No. 30-045-10433**), located at a standard gas well location 800 feet from the North line and 1800 feet from the East line (Lot 2/Unit B) of Section 24; and (ii) Seymour Well No. 3-A (**API No. 30-045-21761**), located at a standard infill gas well location 1190 feet from the South line and 1020 feet from the East line (Unit P) of Section 24.

The E/2 equivalent of Section 24, being a standard 319.37-acre gas spacing and proration unit for the Basin Dakota Pool, is also to be dedicated to the proposed Seymour Well No. 3-B.

The application has been duly filed under the provisions of Division Rules 104.F and 605.B and the applicable rules governing both pools.

By the authority granted me under the provisions of Division Rule 104.F(2), the above-described unorthodox Basin-Dakota/Blanco-Mesaverde gas well location for the Seymour Well No. 3-B is hereby approved. All of the aforementioned wells and both spacing units will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest,

Administrative Order NSL-4509
Burlington Resources Oil & Gas Company
September 26, 2000
Page 2

all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery", followed by a large, stylized flourish or signature mark.

Lori Wrotenbery
Director

LW/MES/kv

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