

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

August 20, 2001

Lori Wrotenbery
Director
Oil Conservation Division

Burlington Resources Oil & Gas Company

P. O. Box 4289

Farmington, New Mexico 87499-4289

Attention:

Peggy Cole/pbradfield@br-inc.com

Administrative Order NSL-4633

Telefax No. (505) 326-9833

Dear Ms. Cole:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on July 19, 2001 (application reference No. pKRV0-120140364); (ii) the Division's initial response by letter dated July 23, 2001 from Mr. Michael E. Stogner, Engineer in Santa Fe; (iii) Mr. Stogner's follow-up phone call to you on July 30, 2001 whereby a voice mail message was left; (iv) your response by letter dated August 15, 2001 with the required information to complete this application; and (v) the records of the Division in Aztec and Santa Fe: all concerning Burlington Resources Oil & Gas Company's ("Burlington") request for an exception to the well location requirements provided within the "Special Rules for the Basin-Dakota Pool," as promulgated by Division Order No. R-10987-B, issued in Case No. 12290 and dated June 30, 2000, as amended by Division Order No. R-10987-B (1), for Burlington's proposed Allison Unit Com. Well No. 64 (API No. 30-045-29810) to be drilled at an unorthodox gas well location in both the Basin-Dakota Pool 2065 feet from the South line and 145 feet from the East line (Unit I) of Section 8, Township 32 North, Range 6 West, NMPM, San Juan County, New Mexico.

The following described non-standard 317.51-acre gas spacing and proration unit, previously approved for the Basin-Dakota Pool by Division Orders No. R-2046, issued in Case No. 2327 on August 14, 1961, is to be dedicated to this well:

TOWNSHIP 32 NORTH, RANGE 6 WEST, NMPM

Section 8:

Lots 1 and 2, SE/4 NE/4, and E/2 SE/4

Section 9:

SW/4.

The application has been duly filed under the provisions of Division Rules 104.F and 605.B and the applicable rules governing the Basin-Dakota Pool.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Basin-Dakota gas well location for the above-described Allison Unit Com. Well No. 64 is hereby approved. This well and spacing unit will be subject to all existing rules,

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

Sincerely,

Lori Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Farmington