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

October 6, 1998

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

Telefax No. (505) 326-9833

Attention:

Peggy Bradfield

Administrative Order NSP-1793(L)

Dear Ms. Bradfield:

Reference is made to your application that was initially submitted to the New Mexico Oil Conservation Division ("Division") on September 22, 1998 and to supplemental data that was submitted by telefax on October 2, 1998 for a non-standard 217.76-acre gas spacing and proration unit consisting of the following acreage in the Basin-Fruitland Coal (Gas) Pool:

RIO ARRIBA COUNTY, NEW MEXICO TOWNSHIP 30 NORTH, RANGE 5 WEST, NMPM

Irregular Section 13: Lots 1, 2, 3, and 4 and the W/2 E/2 (E/2 equivalent).

It is our understanding that this unit is to be dedicated to Burlington Resources Oil & Gas Company's proposed San Juan "30-5" Unit Well No. 263, to be drilled at an unorthodox coal gas well location 1425 feet from the North line and 1120 feet from the East line (Unit G) of Section 13.

By the authority granted me under the provisions of Rules 6 and 8 of the "Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool", as promulgated by Division Order No. R-8768, as amended, the above-described unorthodox coal gas well location and non-standard gas spacing and proration unit are hereby approved.

Sincerely,

Lori Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Farmington

U. S. Forest Service - Bloomfield