



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

November 7, 2007

Administrative Order NSL-5714

Burlington Resources Oil & Gas Company LP

P.O. Box 4289

Farmington, NM 87499-4289

Attention: Ms. Patsy Clugston

Burlington's NSL Application: Sunray B Well No. 2M (API No. 30-045-33937)

SHL: 1550' FNL, 225' FWL, Lot 9

BHL: 621' FNL, 1300' FWL, Lot 7

Section 1 T30N, R10W, NMPM, San Juan County, New Mexico

256.51 Acre, W/2 of Section 1 Spacing Unit for both of the following pools:

Blanco Mesaverde Prorated Gas Pool (71319) and Basin Dakota Prorated Gas Pool (71599)

Reference is made to: Burlington Resources Oil & Gas Company LP's ("Burlington") application for a non-standard well location (*administrative application reference No. pKVR0729951610*) for the subject well that was submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on October 22, 2007; and the Division's records pertinent to Burlington's request.

Burlington requests authority to drill and produce this well within these two pools at a non-standard bottom hole gas well location for the Mesaverde and Dakota formations. The well is to be dedicated to an existing gas spacing and proration unit in both pools. The Basin-Dakota and Blanco-Mesaverde Gas Pools are currently governed by special pool rules established by Division Order No. R-10987, as amended, which allow 4 wells per spacing unit and require 660 feet setbacks from the outer boundary of the gas proration unit. The subject well is non-standard by 39 feet and encroaches on spacing units to the north.

Burlington's application stated that the well was intended to be terminated at a standard location, but the post drill survey showed the well to be non-standard at its total measured depth.

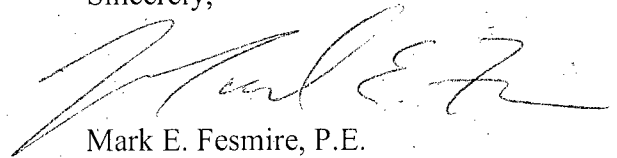
Burlington has provided notice of this application to the only affected party, who has signed a waiver indicating no objection will be filed to this application.

Burlington's supplied documentation shows that this well will be the third Mesaverde producer and the second Dakota producer within this gas spacing and proration unit.

Pursuant to the authority granted under the provisions of Division Rule 104 and Division Order No. R-10987, as amended, the above-described unorthodox bottom hole gas well location

in the Basin Dakota Prorated Gas Pool and in the Blanco Mesaverde Prorated Gas Pool is hereby approved.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', written in a cursive style.

Mark E. Fesmire, P.E.
Division Director

MEF/wvjj

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