

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



August 19, 2009

ConocoPhillips Company
Attn: Ms. Patsy Clugston
3401 E. 30th Street
Farmington, NM 87402

Administrative Order NSP-1932

**Re: San Juan 29-6 Unit Well No. 101N
(API No. 30-039-30721)
E/2 Section 36-29N-26W
Rio Arriba County, New Mexico**

Dear Ms. Clugston:

Reference is made to the following:

- (a) your application (**administrative application reference No. pTGW09-20943687**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on July 22, 2009; and
- (b) the Division's records pertinent to your request.

ConocoPhillips Company (ConocoPhillips) [OGRID 217817] has requested establishment of a non-standard 234.16-acre gas spacing and proration unit in the Basin-Dakota Gas Pool (71599) consisting of Lots 1,2,3 and 4 (E/2 equivalent) of irregular Section 36, Township 29 North, Range 6 West, NMPM, in Rio Arriba County, New Mexico.

The proposed non-standard gas spacing and proration units will be dedicated to the following well:

San Juan 29-6 Unit Well No. 101N (API No. 30-039-30721), located 2625 feet from the North line and 160 feet from the East line (Unit B) of Section 36. The unorthodox location of this well was previously approved by Administrative Order NSL-6036 issues on June 1, 2009.



Spacing in this pool is governed by Rule II.A of the Special Rules and Regulations for the Basin-Dakota Gas Pool, as most recently amended by Order No. R-10987-B(2), which generally provides for 320-acre units

Your application has been duly filed under the provisions of Division Rules 15.11.B(2) and 4.12.A(3).

We understand that you are seeking the establishment of the proposed non-standard 234.16-acre unit due to the irregularity of the official survey.

No tract in the same half-section as the proposed unit is excluded from the proposed unit, and the Division has not directed notification to offsetting operators or owners because the application is premised on a survey irregularity. Accordingly no notices are required.

Pursuant to the authority granted me under the provisions of Rule 15.11.B(2) the above-described non-standard 234.16-acre spacing and proration unit is hereby approved.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Mark E. Fesmire, P.E.
Director

MEF/db

cc: New Mexico Oil Conservation Division – Aztec
New Mexico State Land Office – Santa Fe