Before the Oil Conservation Division
Exhibit No. 11
Burlington Resources Oil & Gas Company LP
OCD CASE 14734

Hearing: October 13, 2011

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION OF BURLINGTON RESOURCES OIL & GAS COMPANY LP FOR COMPULSORY POOLING, SAN JUAN COUNTY, NEW MEXICO.

CASE NO. 14734

CERTIFICATE OF MAILING AND COMPLIANCE WITH ORDER R-8054

STATE OF NEW MEXICO)
) SS
COUNTY OF SANTA FE)

W. Thomas Kellahin, being first duly sworn, hereby certifies that he is an attorney for the Applicant and is responsible for notification in this matter and that the notice provisions of Division Rule 1207 (Order R-8054) have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested parties entitled to receive notice, that on August 22, 2011 he caused to be send first by certified mail return-receipt requested the attached notice of this hearing and a copy of the amended application for the above referenced case, at least twenty days prior to the hearing of this case scheduled for October 13, 2011, to the parties shown in said application and as evidenced by the attached copies of return receipt cards and/or receipts of certified mailing, and that pursuant to Division Rule 1207, notice has been given at the correct addresses provided by such rule.

Thomas Kellahin

SUBSCRIBED AND SWORN to before me this 10th day of October 2011, by W. Thomas

OFFICIAL SHAL Lynda Kellahin

Kellahin.

Lynda Kellahin, Notary Public

My Commission Expires:

KELLAHIN & KELLAHIN

ATTORNEY AT LAW

W. Thomas Kellahin 706 Gonzales Road Santa Fe, New Mexico 87501

phone 505.982.4285 Facsimile 505.216.2780 tkellahin@comcast.net

September 19, 2011

CERTIFIED MAIL-RETURNED RECEIPT REQUESTED

TO: **AMENDED NOTICE** OF THE HEARING OF THE FOLLOWING NEW MEXICO OIL CONSERVATION DIVISION CASE:

Re: NMOCD Case 14734-Application of Burlington Resources Oil & Gas Company LP for Compulsory Pooling, San Juan County, New Mexico

On behalf of Burlington Resources Oil & Gas Company LP ("Burlington"), please find enclosed our application for a compulsory pooling order for the SE/4 and E/2 of Section 2, T25N, R9W to be dedicated to its Huerfano Unit Com Well No. 311 that was originally set for hearing on the New Mexico Oil Conservation Division Examiner's docket now scheduled for 8:15 am on September 29, 2011 but will be continued to the docket set for 8:15 am on October 13, 2011. The hearing will be held at the Division hearing room located at 1220 South Saint Francis Drive, Santa Fe, New Mexico, 87505. (Phone 505-476-3458, Fax 505-476-3462)

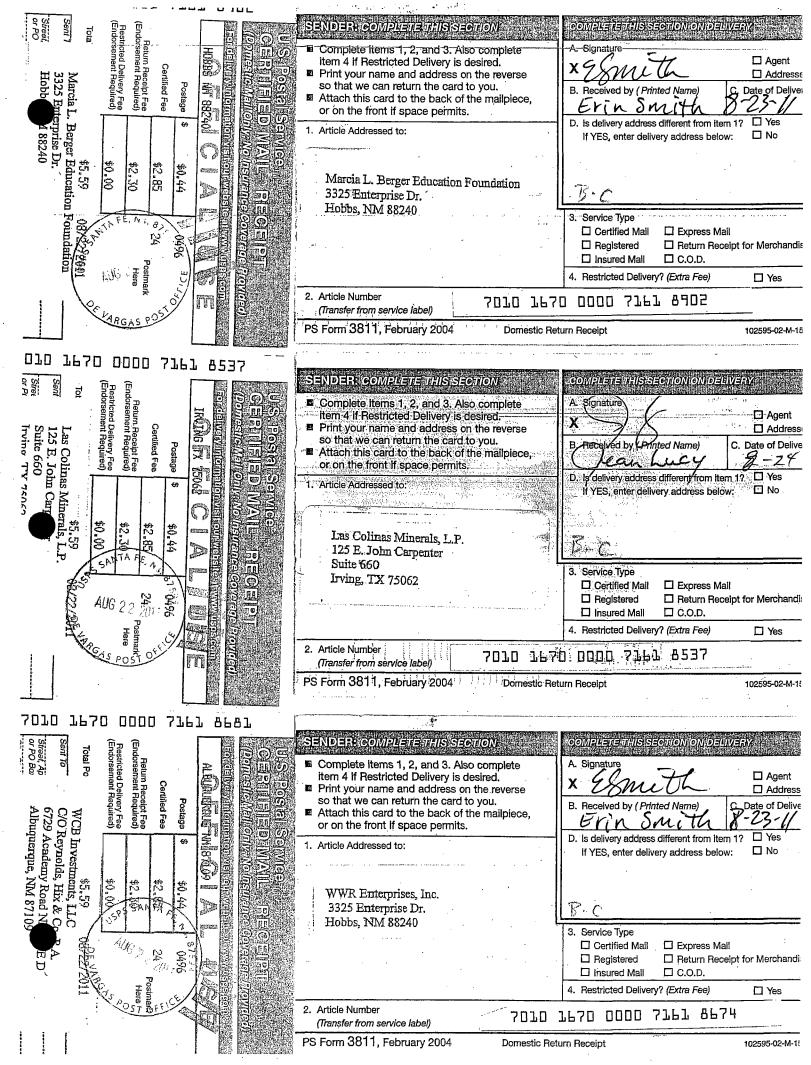
You have received this notice because you are either a mineral working interest owner or an unlease mineral owner who has in interest either/both the SE/4 or the E/2 of this Section 2, T25N, R9W, San Juan County, New Mexico.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the application. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

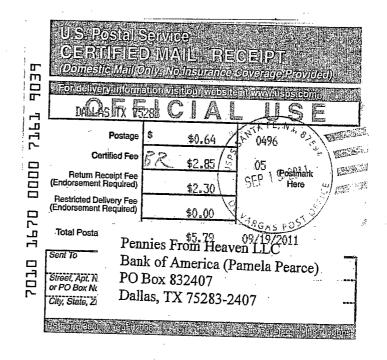
Pursuant Division Rule 1208.B, parties appearing in cases are required to file a Pre-Hearing Statement with the Division not later than 5:00 PM on Thursday, October 6, 2011, with a copy delivered to the undersigned. This statement must include: the names of all witnesses the party will call to testify at the hearing; the approximate time of the party will need to present its case, and identification of any procedural matters that are to be resolved prior the hearing. In addition, if you are a party to be pooled, the Division will impose a 200% risk charge unless you declare in this Pre-Hearing Statement you intention to oppose it. Please note that the burden of proof as to this issue will be yours. Please direct any questions to Terry B. Simcoe of Burlington at 505-326-9878.

W. Zhomas Kellahin

Verv trulyyours,



SENDER COMPLETE THIS SECTION! © Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.	A Signature	
 Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	B. Received by (Printed Name) C. Date of Delivery Dels delivery address different from them 12 Yes	
1. Article Addressed to:	D Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No	
Pennies From Heaven LLC	R. P. Lington	
Bank of America (Pamela Pearce) PO Box 832407	3. Service Type	
Dallas, TX 75283-2407	☐ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.	
	4. Restricted Delivery? (Extra Fee)	
2. Article Number 7010 167	PEOP 1415 0000 05	



STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF BURLINGTON RESOURCES OIL & GAS COMPANY LP FOR COMPULSORY POOLING (Huerfano Unit Com #311) SAN JUAN COUNTY, NEW MEXICO.

CASE NO. 14734

AMENDED APPLICATION

Burlington Resources Oil & Gas Company LP ("Burlington") by its attorneys, Kellahin & Kellahin, pursuant to NMSA 1978, Section 70-2-17.C, seeks an order pooling all mineral interests in the Gallup formation underlying the SE/4 and Dakota formations underlying Lots 1 and 2, S/2NE/4 and SE/4 (the E/2 equivalent) of Section 2, T25N, R9W, NMPM, San Juan County, New Mexico, forming a standard 320.39-acre gas spacing and proration unit for the Dakota formation spaced on 320-acre spacing and a standard 160-acre gas spacing and proration units for the Gallup formation spaced on 160-acre spacing. These units are to be dedicated to its Huerfano Unit Com Well No. 311 (API # 30-045-35291) to be drilled and completed at a standard surface well in Unit I and downhole commingled wellbore for production from Dakota and Gallup formations.

In addition, Burlington requests that the Division adopt cost and production allocation procedures between the Gallup and Dakota, a COPAS accounting procedure with the annual COPAS overhead cost adjustment, payment default provisions and future proposed recompletions provisions. Also to be considered will be the costs of drilling and completing said wells and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and, pursuant to Commission Order R-11992, a charge 200% charge for the risk involved in this well.

In support of its application Burlington states:

BACKGROUND

- 1. These two spacing units ("the Drill Blocks") are completely within the outline of the Huerfano Unit that is operated by Burlington but some leases within these Drill Blocks are not committed to the Huerfano Unit.
- 2. There is a Joint Operating Agreement dated June 1, 2011 by and between Burlington, as operator, and Koch Exploration Company and others, as non-operators for these two Drill Blocks. This 2011-JOA provides for the drilling of Gallup and Dakota wellbores constituent with the current well spacing and density orders for these formations and also provides other contemporary provisions including those for cost allocation procedures, payment default provisions and future proposed recompletions.
- 3. All oil & gas leases are State of New Mexico leases, there are no fee or federal leases in the Drill Blocks

WELL PROPOSAL

- 4. By letter dated July 13, 2011, Burlington sent a written well proposal including AFE to all working interest owners.
- 5. As of August 15, 2011, Burlington had obtained the voluntary agreement of all the working interest owners to the 2011-JOA with the exceptions of certain owners that are set forth in the following paragraph.

PARTIES TO BE POOLED

6. Some of the interest owners in the Gallup formation have agreed to participate in this Gallup & Dakota well, but currently there are owners in the Gallup formation that have declined to sign the 2011-JOA:

a.	Koch Exploration Co.	18.750000%
b	Production Gathering Co. LP	00.312500%
c.	George Umbach	00.468750%
d.	Marcia L. Berger Education Foundation	00.429372%
e.	WWR Enterprises, Inc.	00.429372%
f.	WCB Investments, LLC	00.429230%
g.	JRB Investments, LLC	00.214757%
h.	Cyrene L. Inman	00.847176%
i.	Pennies From Heaven LLC	00.847176%
j.	Las Colinas Minerals. L.P.	02.065507%

7. This Gallup spacing unit is subject to the Dufers Point-Gallup Dakota Pool (pool code 19859)

8. Some of the interest owners in the Dakota formation have agreed to participate in this Gallup & Dakota well, but currently there are the following owners in the Dakota formation that have declined to sign the 2011-JOA:

	·	
a.	Koch Exploration Co.	09.363585%
b .	George Umbach	00.234090%
c.	Production Gathering Co. LP	00.156060%
d.	Marcia L. Berger Education Foundation	00.214425%
e.	WWR Enterprises, Inc.	00.214425%
f.	WCB Investments, LLC	00.214354%
g.	JRB Investments, LLC	00.107248%
h.	Cyrene L. Inman	00.423072%
i.	Pennies From Heaven LLC	00.423072%
j.	Las Colinas Minerals, L.P.	01.031496%

9. The subject 320.39-acre spacing unit is located within the Basin-Dakota Gas Pool (pool code 71599)

REQUESTED RELIEF

10. Burlington despite reasonable effort has been unable to obtain the voluntary agreement of these two interest owners in this spacing unit. Pursuant to Section 70-2-17.C NMSA (1978) and in order to obtain its just and equitable share of potential-production-underlying this spacing unit, Burlington needs an order of the Division pooling the identified and described mineral interests involved in order to protect correlative rights and prevent waste.

NOTICE

11. In accordance with the Division's notice requirements, a copy of this application has been sent to the parties whose interest are to be pooled as listed in Paragraphs 6 and 8 above notifying each of this case and of the applicant's request for a hearing of this matter before the Division on the next available Examiner's docket now scheduled for October 13, 2011.

WHEREFORE, Burlington, as applicant, requests that this application be set for hearing on October 13, 2011 before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order pooling the mineral interest described in the appropriate spacing unit for these wells at a standard well location upon terms and conditions which include:

1. Burlington Resources Oil & Gas Company LP be named operator;

- 2. Provisions for applicant and all working interest owners to participate in the costs of drilling, completing, equipping and operating these wells;
- 3. Adoption of cost and production allocation procedures between the Gallup and Dakota, a COPAS accounting procedure with the annual COPAS overhead cost adjustment, payment default provisions and future proposed recompletions provisions.
- 4. In the event a mineral interest or working interest owner fails to elect to participate, then provision be made to recover out of production, the costs of the drilling, completing, equipping and operating the well, including a risk factor penalty of 200%; Provision for overhead rates per month drilling and per month operating and a provision providing for an adjustment method of the overhead rates as provided by COPAS;

5. For such other and further relief as may be proper.

BESPECTFUILY SUBMITTED:

W. THOMAS KELLAHIN KELLAHIN & KELLAHIN

706 Gonzales Road

Santa Fe, New Mexico 87501

Ph 505-982-4285

Fx 505-216-2780

Email tkellahin@comcast.net