



New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



June 15, 2011

Burlington Resources Oil & Gas Company, LP
Attn: Ms. Patsy Clugston
3401 E. 30th Street
Farmington, NM 87402

Administrative Order NSL-6400

Re: San Juan 28-6 Unit Well No. 441S
API No. 30-039-30678
1325 feet FSL & 355 feet FEL
Unit I, Section 17-28N-6W
Rio Arriba County, New Mexico

Dear Ms. Clugston:

Reference is made to the following:

(a) your application (**administrative application reference No. pTGW11-14042167**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on May 20, 2011, and

(b) the Division's records pertinent to this request.

Burlington Resources Oil & Gas Company, LP (Burlington) [OGRID 14538] has requested to drill the above-referenced well at an unorthodox gas well location, as described above in the caption of this letter. The SE/4 of Section 17 will be dedicated to this well in order to form a standard 160-acre gas spacing unit in the South Blanco Pictured Cliffs Gas Pool (72439). This pool is governed by statewide Rule 15.10.C [19.15.15.10.C NMAC], which provides for 160-acre units, with wells located at least 660 feet from a unit outer boundary. This location is less than 660 feet from the eastern unit boundary.

Your application has been duly filed under the provisions of Division Rules 15.13 [19.15.15.13 NMAC] and 4.12.A(2) [19.15.4.12.A(2) NMAC].

Oil Conservation Division
1220 South St. Francis Drive • Santa Fe, New Mexico 87505
Phone (505) 476-3440 • Fax (505) 476-3462 • www.emnrd.state.nm.us/OCD



It is our understanding that you are seeking this location for topographic reasons.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 4.12.A(2), in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9 [19.15.5.9 NMAC].

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

Sincerely,

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with the first name "Jami" and last name "Bailey" clearly distinguishable.

Jami Bailey
Director

JB/db

cc: New Mexico Oil Conservation Division – Aztec
United States Bureau of Land Management