



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

November 1, 2005

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

Burlington Resources Oil & Gas Company, L. P.
P. O. Box 4289
Farmington, New Mexico 87499-9700

Attention: **Joni Clark**
jclark@br-inc.com

Administrative Order NSL-5298

Dear Ms. Clark:

Reference is made to the following: (i) your application that was submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on October 5, 2005 (*administrative application reference No. pSEM0-527853217*); (ii) the Division's initial response by e-mail from Mr. Michael E. Stogner, Engineer with the Division in Santa Fe on Wednesday afternoon, October 19, 2005; (iii) your response by letter with the correct information, more or less, to complete this application; and (iv) the Division's records in Aztec and Santa Fe, including the file in Division Case No. 4032: all concerning Burlington Resources Oil & Gas Company, L. P.'s ("Burlington") request for an unorthodox gas well location in both the Aztec-Pictured Cliffs Pool (71280) and Basin-Fruitland Coal (Gas) Pool (71629) for the proposed Cain Well No. 100 (API No. 30-045-33117), to be drilled 1145 feet from the South line and 1510 feet from the West line (Lot 13/Unit N) of Irregular Section 30, Township 29 North, Range 9 West, NMPM, San Juan County, New Mexico.

Your application has been duly filed under the provisions of: (i) Rule 7 (b) of the "*Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool*," as promulgated by Division Order No. R-8768, as amended; and (ii) Division Rules 104.F and 1210.A (2) [formerly Division Rule 1207.A (2), see Division Order No. R-12327-A, issued by the New Mexico Oil Conservation Commission in Case No. 13482 on September 15, 2005].

Lots 8 through 15 (S/2 equivalent) of Irregular Section 30, comprising 268.42 acres, or 83.88% the size of a standard 320-acre unit, thereby considered to be an authorized lay-down gas spacing unit in the Basin-Fruitland Coal (Gas) Pool pursuant to Rule 5 of the "*Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool*," is to be dedicated to this well.

Further, this well is to be a replacement gas well within a former non-standard 187.16-acre gas spacing unit in the Aztec-Pictured Cliffs Pool that comprised Lots 6, 10, 11, 12, and 13 and the E/2 NW/4 of Irregular Section 30 (approved by Division Order No. R-3669, issued in Case No. 4032 on January 30, 1969. Initial development of Pictured Cliffs gas production within this 187.16-acre unit commenced in December, 1970 when Pan American Petroleum Corporation drilled and completed its Gerk Gas Com. "D" Unit Well No. 1 (API No. 30-045-20685), at a standard gas well location 700 feet from the North line and 920 feet from the West line (Unit C) of Irregular Section 30. In February, 1996, Amoco Production Company plugged and abandoned this well.

By the authority granted me under the provisions of Division Rule 104.F (2) and in accordance with Rule 8 of the special Basin-Fruitland Coal (Gas) Pool rules, the above-described unorthodox Fruitland coal gas well location/replacement Pictured Cliffs gas well location for Burlington's above-described Cain Well No. 100 is hereby approved.

Jurisdiction of this cause is retained for the entry of such further orders as the Division deems necessary.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', is written over a horizontal line. To the right of the signature, the initials 'MEF' are written in a stylized, cursive font.

Mark E. Fesmire, P. E.
Director

MEF/ms

cc: U. S. Bureau of Land Management – Farmington
New Mexico Oil Conservation Division – Aztec
File: Case No. 4032