



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 06, 2006

Patsy Clugston
ConocoPhillips
P.O. Box 4289
Farmington, NM 87499

RE: **Helen Jackson #2M (API # 30-045-33919)**
Unit P, 1188 feet FSL, 218 feet FEL, Sec.. 33, T-29-N, R-9-W
San Juan County, NM

Administrative Order NSL-5477

Dear Ms Clugston:

Reference is made to the following:

(a) your application (**administrative application reference No. pTDS0-629841672**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on October 17, 2006; and

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

ConocoPhillips requests to drill its Helen Jackson #2M at an unorthodox Mesaverde and Dakota locations, 1188 feet from the South line and 218 feet from the East line (Unit P) of Section 33 Township 29 North, Range 9 West, N.M.P.M., in San Juan County, New Mexico. The E/2 of Section 33 will be dedicated to this well in order to form a standard 320-acre spacing and proration unit in both the Mesaverde and Dakota Pools. The well will be downhole commingled in the Blanco Mesaverde and the Basin Dakota pools. These pools are governed by special pool rules in Order No. R-10987-A(1) for the Mesaverde Pool, and Order No. R-10987-B(2) for the Dakota Pool, both of which provide that:

a Gas Proration Unit (GPU) shall consist of 320 acres, more or less, and

a well shall be located no closer than 660 feet to the outer boundary of the GPU and no closer than 10 feet to any interior or quarter-quarter section line or subdivision inner boundary.

Your application has been duly filed under the provisions of Division Rules 104. F(2) 1210.A(2) and Order No. R-10987-A(1) and R-10987-B(2)

It is our understanding that the unorthodox location is necessary because of the existing facilities, pipelines, washes, and rugged terrain in the area.

It is also our understanding that Burlington Resources, a wholly owned subsidiary of ConocoPhillips is the offset operator of the affected section, and therefore no notice is required.

Pursuant to the authority granted under the provisions of Division Rules 104.F(2) and Order No. R-10987-A(1) and R-10987-B(2), the above-described unorthodox Mesaverde and Dakota locations is hereby approved.

ConocoPhillips shall apply and obtain a downhole commingling order before commingling production from the Blanco Mesaverde and Basin Dakota Pools.

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/re

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