



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

March 21, 2006

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

XTO Energy, Inc.
810 Houston Street
Fort Worth, Texas 76102-6298

Attention: **Christopher Spencer**
christopher_spencer@xtoenergy.com

Administrative Order NSL-5354

Dear Mr. Spencer:

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Burlington
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 February 27, 2006 (**administrative application reference No. pTDS0-605929172**); and (ii) the Division's records in Aztec and Santa Fe: all concerning XTO Energy, Inc.'s ("XTO") request for an exception to the well location requirements provided within the "**Special Rules for the Basin-Dakota Pool**," as promulgated by Division Order No. R-10987-B, dated June 30, 2000, as amended by Division Orders No. R-10987-B (1), dated August 10, 2000, and R-10987-B (2), dated January 29, 2002, for the proposed **Burlington Gas Com. "C" Well No. 1-R (API No. 30-045-33532)** to be drilled at an unorthodox infill gas well location 770 feet from the North line and 495 feet from the West line (Unit D) of Section 21, Township 30 North, Range 11 West, NMPM, Basin-Dakota Pool (**72319**), San Juan County, New Mexico.

The Basin-Dakota gas production from this well is to be included within an existing standard 320-acre lay-down gas spacing and proration unit ("GPU") comprising the S/2 of Section 21, which is currently dedicated to XTO's Burlington Gas Com. "C" Well No. 1-F (**API No. 30-045-31217**), located a standard gas well location 1900 feet from the North line and 1480 feet from the East line (Unit G) of Section 21.

Your application has been duly filed under the provisions of Division Rules 104.F and 605.B and the applicable rules governing the Basin-Dakota Pool.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Basin-Dakota infill gas well location for XTO's proposed Burlington Gas Com. "C" Well No. 1-R is hereby approved. Further, both of the aforementioned wells and existing 320-acre GPU will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico and to the Basin-Dakota Pool.

Sincerely,

Mark E. Fesmire, P. E.
Director

MEF/ms

cc: New Mexico Oil Conservation Division - Aztec

