



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

April 11, 2005

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

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

Attention: Joni Clark, Regulatory Specialist
jclark@br-inc.com

Administrative Order NSL-5060-A (SD)

Dear Ms. Clark:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on March 18, 2005 (*administrative application reference No. pMES0-509137180*); and (ii) the Division's records in Aztec and Santa Fe, including the file in Division Administrative Order NSL-5060: all concerning Burlington Resources Oil & Gas Company, L. P.'s ("Burlington") request to include the Basin-Fruitland Coal (Gas) Pool within the provisions of a previously approved Division administrative order and for an exception to the well location requirements [Rule 7 (a) (1)] provided within the "*Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool*," as promulgated by Division Order No. R-8768, as amended, for its proposed San Juan "29-7" Unit Well No. 192 (API No. 30-039-27659), to be redesignated the San Juan "29-7" Unit Well No. 526-S, and is to be drilled 820 feet from the North line and 2035 feet from the West line (Unit C) of Section 21, Township 29 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

By Division Administrative Order NSL-5060, dated May 26, 2004, Burlington received authorization to drill and complete the above described well within the Blanco-Pictured Cliffs Pool (72359) at an unorthodox gas well location within a standard 160-acre gas spacing unit comprising the NW/4 of Section 21.

This well will be an infill coal gas completion within a standard 320-acre stand-up gas spacing unit comprising the W/2 of Section 29, which unit is currently dedicated to Burlington's San Juan "29-7" Unit NP Well No. 526 (API No. 30-039-24817), located at a standard coal gas well location 1510 feet from the South line and 965 feet from the West line (Unit L) of Section 21.

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*," (ii) Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission ("Commission") in Case No. 12119 on August 12, 1999; and (iii) Rule 1207.A (2), revised by Division Order No. R-11205, issued by the Commission in Case No. 12177 on June 17, 1999.

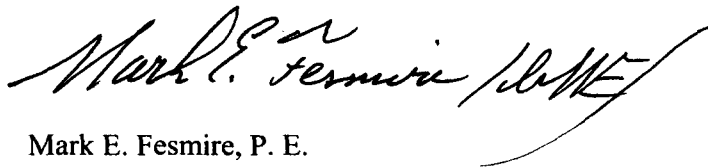
By the authority granted me under the applicable provisions of the special pool rules governing the Basin-Fruitland Coal (Gas) Pool and Division Rule 104.F (2), the above-described unorthodox coal gas well location for the proposed San Juan "29-7" Unit Well No. 526-S is hereby approved.

Burlington is further authorized to simultaneously dedicate production attributed to the Basin-Fruitland Coal (Gas) Pool from both its existing San Juan "29-7" Unit NP Well No. 526 and its proposed San Juan "29-7" Unit Well No. 526-S.

Further, Division Administrative Order NSL-5060 shall remain in full force and affect until further notice.

Jurisdiction of this cause 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 "Mark E. Fesmire" followed by a stylized flourish or initials.

Mark E. Fesmire, P. E.
Director

MEF/ms

cc: New Mexico Oil Conservation Division – Aztec
 U. S. Bureau of Land Management – Farmington
 File: NSL-5060