



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

August 11, 2005

Mark Fesmire

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-5252

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 July 27, 2005 (*administrative application reference No. pMES0-522343148*); and (ii) the Division's initial response by e-mail from Mr. Michael E. Stogner, Engineer with the Division in Santa Fe on Thursday morning, August 11, 2005; (iii) your same day response by e-mail with the necessary information to complete this application; and (iv) the Division's records in Aztec and Santa Fe: all concerning Burlington Resources Oil & Gas Company, L. P.'s ("Burlington") request for an exception to the well location requirements provided within the "*Special Rules for the Blanco-Mesaverde Pool*," as promulgated by Division Order No. R-10987-A, issued in Case No. 12069 and dated February 1, 1999, as amended by Division Order No. R-10987-A (1), dated December 2, 2002, for its proposed Dusenberry Well No. 2-B (API No. 30-045-33210) to be drilled at an unorthodox infill gas well location 855 feet from the South line and 480 feet from the East line (Unit P) of Section 1, Township 31 North, Range 12 West, NMPM, Blanco-Mesaverde Pool (72319), San Juan County, New Mexico.

The Blanco-Mesaverde gas production from this well is to be included within an existing standard 315.58-acre stand-up gas spacing and proration unit ("GPU") comprising Lots 2 and 5, the S/2 NE/4, and the SE/4 (E/2 equivalent) of Section 1, which is currently dedicated to Burlington's: (i) Dusenberry Well No. 2 (API No. 30-045-11032), located at a standard gas well location 1650 feet from the South and East lines (Unit J) of Section 1; (ii) Dusenberry Well No. 2-A (API No. 30-045-21813), located at a standard infill gas well location 1620 feet from the North line and 1590 feet from the East line (Unit G) of Section 1; and (iii) Dusenberry Well No. 3-E (API No. 30-045-23644), also located at a standard infill gas well location 1720 feet from the North line and 790 feet from the East line (Unit H) of Section 1.

This application has been duly filed under the provisions of Division Rules 104.F and 605.B and the applicable rules governing the Blanco-Mesaverde Pool.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Blanco-Mesaverde infill gas well location for Burlington's proposed Dusenberry Well No. 2-B is hereby approved. Further, all four of the aforementioned Dusenberry Wells No. 2, 2-A, 2-B, and 3-E and existing 315.58-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 Blanco-Mesaverde Pool.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Fesmire", with a stylized flourish at the end.

Mark E. Fesmire, P. E.
Director

MEF/ms

cc: New Mexico Oil Conservation Division – Aztec