



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

March 17, 2006

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Burlington Resources Oil & Gas Company, L. P.

c/o **Patsy Clugston** (pclugston@br-inc.com)

P. O. Box 4289

Farmington, New Mexico 87499-4289

Administrative Order NSL-5352

Dear Ms. Clugston:

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 24, 2006 (*administrative application reference No. pTDS0-605931795*); and (ii) 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 [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 a non-standard infill gas well location within an existing 320-acre lay-down gas spacing unit for the Basin-Fruitland Coal (Gas) Pool (71629) comprising the S/2 of Section 29, Township 28 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*," 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].

This unit is currently dedicated to Burlington's Hancock Well No. 712 (**API No. 30-045-27216**), located at a standard coal gas well location 1850 feet from the South line and 790 feet from the West line (Unit L) of Section 29.

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 following described unorthodox infill coal gas well location to be drilled within the above-described 320-acre gas spacing unit is hereby approved:

**Hancock Well No. 712-S
955' FSL & 480' FEL (Unit P)
(API No. 30-045-33519).**

Burlington Resources Oil & Gas Company, L. P.

Division Administrative Order NSL-5352

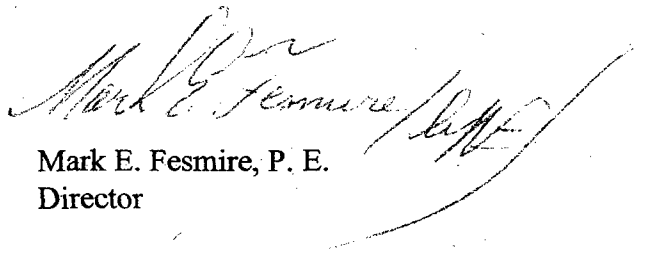
March 17, 2006

Page 2

Further, Burlington is hereby authorized to simultaneously dedicate production attributed to the Basin-Fruitland Coal (Gas) Pool from both the above-described Hancock Wells No. 712 and 712-S.

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

Sincerely,

A handwritten signature in cursive script, appearing to read "Mark E. Fesmire", followed by a large, sweeping flourish.

Mark E. Fesmire, P. E.

Director

MEF/ms

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