

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

October 25, 2006

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

Attention: Ms. Patsy Clugston

Re: **Lewis Park Well No. 1E**
API No. 30-045-33390
2295' FNL & 2060' FEL, Unit G,
Section 13, T-31 North, R-8 West, NMPM,
San Juan County, New Mexico

Administrative Order NSL-5470

Dear Ms. Clugston:

Reference is made to the following:

- (a) Burlington Resources Oil & Gas Company, L.P.'s ("Burlington") application for a non-standard well location (*administrative application reference No. pTDS0629348899*) for the Lewis Park Well No. 1E that was submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on October 19, 2006; and
- (b) the Division's records pertinent to Burlington's request.

Burlington requests authority to drill its Lewis Park Well No. 1E to test the **Basin-Dakota (Prorated Gas – 71599) and Blanco-Mesaverde (Prorated Gas –72319) Pools** at an unorthodox gas well location for both pools 2295 feet from the North line and 2060 feet from the East line (Unit G) of Section 13, Township 31 North, Range 8 West, NMPM, San Juan County, New Mexico. The E/2 of Section 13 is to be dedicated to the well forming a standard 320-acre gas spacing and proration unit. The Basin-Dakota and Blanco-Mesaverde Gas Pools are currently governed by special pool rules established by Division Order No. R-10987, as amended, which provide that:

- (a) a standard unit shall consist of 320 acres, more or less, comprising the N/2, S/2, E/2 or W/2 of a governmental section; and

- (b) well's shall be located no closer than 660 feet from the outer boundary of the proration unit, nor closer than 10 feet from any quarter-quarter section line or subdivision inner boundary.

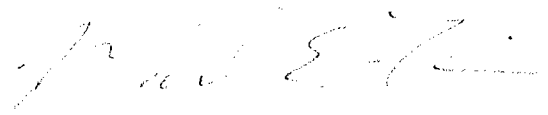
Burlington's application demonstrates that the proposed non-standard location is necessitated by topographic considerations within the NE/4 of Section 13.

Division records show that the Lewis Park Well No. 1E will be the second well producing from the Basin-Dakota Gas Pool within the E/2 of Section 13, and the first well producing from the Blanco-Mesaverde Gas Pool within the E/2 of Section 13. The existing Basin-Dakota Gas Pool producing well is the Burlington Lewis Park Well No. 1 (API No. 30-045-29855) located 1050 feet from the South line and 1180 feet from the East line (Unit P) of Section 13.

All of Section 13 is a single Federal lease (Federal Lease No. NM-82815) with common ownership throughout, therefore, there are no adversely affected offsets to the subject 320-acre tract. Accordingly, the applicant was not required, and did not provide notice to any offset operator and/or interest owner.

Pursuant to the authority granted under the provisions of Division Rule 19.15.3.104.F(2), the above-described unorthodox gas well location in the Blanco-Mesaverde and Basin-Dakota Gas Pools is hereby approved.

Sincerely,



Mark E. Fesmire, P.E.
Division Director

MES/drc

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