



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

June 4, 2007

Burlington Resources Oil & Gas Company, L.P.

P.O. Box 4289

Farmington, New Mexico 87499-4289

Attention: Ms. Patsy Clugston

Re **Decker Well No. 3M**
API No. 30-045-33986
205' FNL & 375' FWL, Unit D,
Section 23, T-32 North, R-12 West, NMPM,
San Juan County, New Mexico

Administrative Order NSL-5528-A

Dear Ms. Clugston:

Reference is made to the following:

- (a) Burlington Resources Oil & Gas Company, L.P.'s ("Burlington") application to amend Division Order No. NSL-5528 (*administrative application reference No. pCLP0715052969*) for the Decker Well No. 3M that was submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on May 29, 2007; and
- (b) the Division's records pertinent to Burlington's request.

Burlington requests authority to amend Division Order No. NSL-5528 dated December 14, 2006, which order authorized Burlington to drill its Decker Well No. 3M to test the Basin-Dakota (Prorated Gas – 71599) and Blanco-Mesaverde (Prorated Gas – 72319) Pools at a non-standard gas well location for both pools 205 feet from the North line and 375 feet from the West line (Unit D) of Section 23, Township 32 North, Range 12 West, NMPM, San Juan County, New Mexico. The W/2 of Section 23 is dedicated to the well in the Blanco-Mesaverde and Basin-Dakota Gas Pools forming standard 320-acre gas spacing and proration units. It is our understanding that well logs indicate that the Mancos formation may be productive in the well, and that Burlington will attempt a completion in the Wildcat Basin-Mancos Pool. The NW/4 of Section 23 is to be dedicated to the well forming a standard 160-acre spacing and proration unit for that pool.

The Basin-Mancos Pool is currently governed by Division Rule 19.15.3.104(C) which requires standard 160-acre spacing and proration units with wells to be located no closer than 660 feet to the

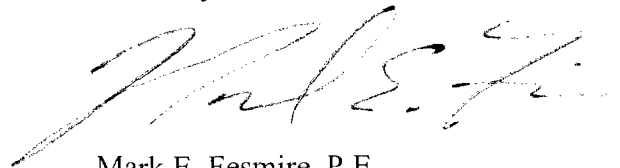
over boundary of the spacing unit nor closer than 10 feet to any quarter-quarter section line or subdivision inner boundary.

The affected offset acreage includes the SW/4 of Section 14, the SE/4 of Section 15 and the NE/4 of Section 22. Burlington stated in its application that it operates all of the affected offset acreage and that interest ownership within the proposed proration unit and the affected offset acreage is common throughout. Accordingly, the applicant was not required, and did not provide notice of its application 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 Wildcat Basin-Mancos Pool is hereby approved.

All other provisions of Division Order No. NSL-5528 shall remain in full force and effect.

Sincerely,



Mark E. Fesmire, P.E.
Division Director

MES/drc

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