



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Betty Rivera**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

May 2, 2002

Deputy State Director  
Resource Planning, Use and Protection  
New Mexico State Office  
United States Bureau of Land Management  
P.O.Box 27115  
Santa Fe, NM 87502

**Re: Case No. 12745**  
**Order No. R-10987-B(2)**  
**Application of Burlington Resources Oil & Gas Company and Conoco, Inc.**  
**to Amend the Special Rules and Regulations for the Basin-Dakota Pool to**  
**Increase Well Density and Amend the Well Location Requirements, San**  
**Juan, McKinley, Sandoval and Rio Arriba Counties, New Mexico**

Ladies and Gentlemen:

On January 22, 2002, the New Mexico Oil Conservation Division adopted the referenced order changing the well spacing and density requirements for the Basin-Dakota Gas Pool.

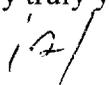
Pursuant to the Amended Memorandum of Understanding (MOU) between the Division and the Bureau of Land Management, accepted by the Division on July 2, 1999, this Order excluded all Indian Lands.

We herewith submit for your approval pursuant to the MOU a proposed amender Order [No. R-10987B( )] which would extend the new spacing and density regulations to the Indian Lands within the jurisdiction of your office, together with a copy of the administrative record of our hearing on this subject conducted on October 18, 2001.

Please notify this office when you are in a position to issue your concurrence in the proposed amended order.

Should you have any questions, please call me at (505)-476-3450.

Very truly yours,

  
David K. Brooks  
Assistant General Counsel

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:**

**CASE NO. 12745  
ORDER NO. R-10987-B ( )**

**APPLICATION OF BURLINGTON RESOURCES OIL & GAS COMPANY AND  
CONOCO, INC. TO AMEND THE SPECIAL RULES AND REGULATIONS FOR  
THE BASIN-DAKOTA POOL TO INCREASE WELL DENSITY AND AMEND  
THE WELL LOCATION REQUIREMENTS, SAN JUAN, MCKINLEY,  
SANDOVAL AND RIO ARRIBA COUNTIES, NEW MEXICO.**

**ORDER OF THE DIVISION**

**BY THE DIVISION:**

This case came on for hearing at 8:15 a.m. on October 18, 2001, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this \_\_\_ day of \_\_\_\_\_, 2002, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

**FINDS THAT:**

(1) Due public notice has been given, and the Division has jurisdiction of this case and of the subject matter.

(2) On January 29, 2002, the Division entered in this case Division Order No. R-10987-B(2) amending the *Special Rules for the Basin-Dakota Pool*, as previously adopted by Division Order No. R-10987-B, dated June 30, 2000.

(3) Division Order No. R-10987-B(2) provides, in ordering paragraph (3) thereof, that the amendments therein adopted to the *Special Rules for the Basin-Dakota Pool* shall not apply to Indian Lands.

(4) The *Special Rules for the Basin-Dakota Pool* adopted by R-10987-B (2) have now been submitted to the United States Bureau of Land Management - New Mexico State Office pursuant to that certain Memorandum of Understanding between the New Mexico Oil Conservation Division and the United States Bureau of Land Management dated July 2, 1999, and said office has issued its concurrence thereto as applied to Indian Lands under its jurisdiction.

**IT IS THEREFORE ORDERED THAT;**

(1) The *Special Rules for the Basin-Dakota Pool* attached as Exhibit A to Division Order No. R-10987-B(2) are hereby extended to all Navajo and Jicarilla Apache Tribal lands located in New Mexico; the Horseshoe Gallup and La Plata Mancos Units; all Navajo allottee lands and any Pueblo lands within the boundaries of the State of New Mexico to which Division Order No. R-10987-B(2) would apply by its terms in the absence of Ordering Paragraph (3) thereof.

(2) Ordering Paragraph (3) of Division Order No. R-10987B(2) is hereby rescinded to the extent inconsistent herewith.

(3) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

LORI WROTENBERY  
Director

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