



**PHILLIPS PETROLEUM COMPANY**

FARMINGTON, NEW MEXICO 87401  
5525 HWY. 64 NBU 3004

October 15, 2001

**RECEIVED**  
OCT 16 2001  
OIL CONSERVATION  
DIVISION

Ms. Lori Wrotenberg, Director  
New Mexico Oil Conservation Division  
1220 So. St. Francis Drive  
Santa Fe, New Mexico 87505

CASE 12745: Burlington Resources Oil & Gas  
Company and Conoco Inc. application to amend  
Special Rules and Regulations for the Basin-  
Dakota Gas Pool to increase well density and  
amend well location requirements  
San Juan, McKinley, Sandoval and Rio Arriba  
Counties, New Mexico

Dear Ms. Wrotenburg:

Phillips Petroleum Company (Phillips) supports the application of Burlington and Conoco to the New Mexico Oil Conservation Division for 80-acre infill development in the Basin Dakota pool. Phillips has reviewed the results of their pilot infill wells and agrees that the 80-acre infill wells are economically viable and necessary to recover additional gas reserves that would otherwise be left behind.

Phillips also supports the creation of well location rules for the Basin Dakota pool that are identical to the rules for the Blanco Mesaverde pool. This will facilitate recovery of additional gas reserves using downhole commingling, thereby requiring fewer wellbores, and minimizing surface impacts associated with pipelines and well locations.

Phillips believes NMOCD approval of the said application for 80-acre infill development in the Basin Dakota will be in the best interests of all parties by allowing recovery of additional gas reserves while protecting the correlative rights of all owners and minimizing surface impacts of development.

Very truly yours,

Jim Ball  
Senior Land Specialist  
San Juan Basin  
(505) 599-3410

cc: Jerry Foster