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October 15, 2001

Ms. Lori Wrotenbery, 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

NMOGA supports the application by Burlington Resources and Conoco Inc. to the New Mexico Oil Conservation Division for 80-acre infill development in the Basin Dakota pool. We believe that the results from their pilot wells demonstrate that 80-acre infill wells are economically viable and necessary to recover additional gas reserves that would otherwise be left behind.

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

NMOGA believes that NMOCD approval of the application for 80-acre infill 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.

Sincerely,



Bob Gallagher
President

"A healthy petroleum industry helps build a healthy New Mexico."
Serving our members since 1929.

*The Hon. Michael E. Hogner
Examiner*

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OIL CONSERVATION