



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

June 9, 2006

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

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

Attention: **Joni Clark**
Regulatory Specialist
jclark@br-inc.com

Administrative Order NSL-5394

Dear Ms. Clark:

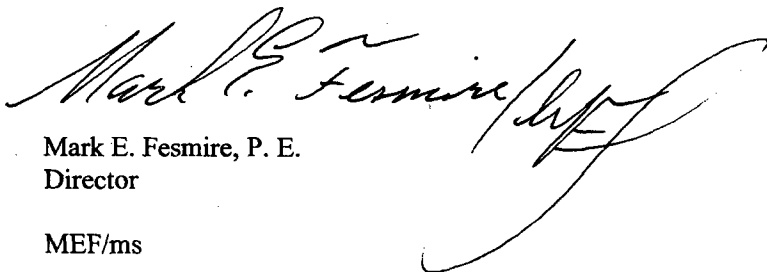
Reference is made to the following: (i) your application submitted to the Santa Fe office of the New Mexico Oil Conservation Division ("Division") on May 18, 2006 (*administrative application reference No. pTDS0-613840137*); and (ii) the Division's records in Aztec and Santa Fe: all concerning Burlington Resources Oil & Gas Company L.P.'s ("Burlington") request to drill its proposed Allison Unit Well No. 77 (**API No. 30-045-33659**) at an unorthodox Fruitland Sand/Pictured Cliffs gas well location 375 feet from the South line and 865 feet from the West line (Lot 7/Unit M) of Irregular Section 12, Township 32 North, Range 7 West, NMPM, Allison Unit Area (see Division Order No. R-24 issued in Case No. 224), San Juan County, New Mexico.

Lots 6 and 7 and the E/2 SW/4 (SW/4 equivalent) of Irregular Section 12 is to be dedicated to this well in order to form a standard 169.35-acre gas spacing unit for the Undesignated South Los Pinos Fruitland Sand-Pictured Cliffs Pool (**80690**).

Your application has been duly filed under the provisions of Division Rules 104.F and 1210.A (2) [formerly Division Rule 1207.A (2), see Division Order No. R-12327-A, issued by the New Mexico Oil Conservation Commission in Case No. 13482 on September 15, 2005].

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Fruitland sand/Pictured Cliffs gas well location for Burlington's proposed Allison Unit Well No. 77 is hereby approved.

Sincerely,



Mark E. Fesmire, P. E.
Director

MEF/ms

cc: New Mexico Oil Conservation Division – Aztec
U. S. Bureau of Land Management – Farmington