



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

Jim Noel
Cabinet Secretary

Karen W. Garcia
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



October 19, 2010

Mr. W. Thomas Kellahin
Kellahin & Kellahin
706 Gonzales Road
Santa Fe, NM 87501

Administrative Order NSP-1946

**Re: Burlington Resources Oil & Gas Company LP
Non-Standard Unit Application
Basin-Dakota Gas Pool (71599)
SW/4 Section 30 & W/2 Section 31
Township 31 North, Range 9 West, NMPM
San Juan County, New Mexico**

Dear Mr. Kellahin:

Reference is made to the following:

(a) your application (**administrative application reference No. pTGW10-27033196**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico, on behalf of Burlington Resources Oil & Gas Company [OGRID 14538] (Brulington), on September 24, 2010; and

(b) the Division's records pertinent to Burlington's request.

Burlington has requested establishment of a non-standard 299.10-acre, more or less, gas spacing and proration unit in the Basin-Dakota Gas Pool (71599) consisting of Lots 14 through 17, inclusive (SW/4 equivalent) of irregular Section 30, and Lots 7 through 10, inclusive, and 15 through 18, inclusive (W/2 equivalent), of irregular Section 31, Township 31 North, Range 9 West, NMPM, in San Juan County, New Mexico.

The proposed non-standard gas spacing and proration units will initially be dedicated to the following well:

Oil Conservation Division
1220 South St. Francis Drive • Santa Fe, New Mexico 87505
Phone (505) 476-3440 • Fax (505) 476-3462 • www.emnrd.state.nm.us/OCD



Riddle C LS Well No. 1C (API No. 30-045-35087), located (surface location) 1129 feet from the South line and 1322 feet from the West line (Lot 18) of Section 31, with a bottom hole location 710 feet from the South line and 885 feet from the West line of said section.

Spacing in this pool is governed by Rules II.A and II.C of the Special Rules and Regulations for the Basin-Dakota Gas Pool, as most recently amended by Order No. R-10987-B(2), issued on January 29, 2002, which generally provide for 320-acre units.

Your application on behalf of Burlington has been duly filed under the provisions of Division Rules 15.11.B(2) and 4.12.A(3).

We understand that you are seeking the establishment of the proposed non-standard unit due to the irregularity of the official surveys. We also understand that you have given due notice of this application to affected owners of tracts in the same sections as the proposed unit that are excluded from the proposed unit. Because the proposed unit is more than 90% of the size of a standard unit, its creation will not materially affect well density, and accordingly the Division has not required notice to offsetting operators outside of those sections of which portions are included in the proposed unit.

Pursuant to the authority granted me under the provisions of Rule 15.11.B(2), the above-described non-standard 299.10-acre, more or less gas spacing and proration unit is hereby approved.

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

Sincerely,



Mark E. Fesmire, P.E.
Acting Director

MEF/db

cc: New Mexico Oil Conservation Division – Aztec
United States Bureau of Land Management