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. 14304 ORDER NO. R-13057-A

APPLICATION OF BURLINGTON RESOURCES OIL & GAS COMPANY LP TO RE-INSTATE ORDER NO. R-13057 FOR COMPULSORY POOLING, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on April 16, 2009, at Santa Fe, New Mexico, before Examiners David K. Brooks and Richard Ezeanyim.

NOW, on this 23rd day of April, 2009, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

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

(2) Burlington Resources Oil & Gas Company LP ("Applicant") seeks to reinstate Order No. R-13057, issued in Case No. 14188, which granted Applicant's request to pool all uncommitted interests from the surface to the base of the Dakota formation underlying the E/2 of Section 15, Township 31 North, Range 10 West, NMPM, San Juan County, New Mexico to form a standard 318.86-acre gas spacing and proration unit ("the Unit") for all pools spaced on 320 acres within that vertical extent, including but not limited to the Blanco-Mesaverde Prorated Gas Pool (72319).

(3) Applicant appeared at the hearing through counsel and presented evidence as follows:

(a) Order No. R-13057 expired by its own terms because Applicant did not commence drilling of its Kelly A Well No. 3E ("the proposed well") on or before February 28, 2009, as required by Ordering Paragraphs (3) and (4) of that Order, and did not obtain a time extension from the Division Director as therein provided.

(b) Applicant's failure to commence the proposed well within the time provided was due to surface access restrictions imposed by the United State Bureau of Land Management. Applicant's failure to request an extension prior to the expiration of Order No. R-13057 was inadvertent.

(c) Applicant still wants to drill the proposed well, and accordingly requests that Order No. R-13057 and the Unit be re-instated.

(4) No other party has filed any protest, or otherwise communicated to the Division any objection to re-instatement of the Unit upon the terms and conditions provided in Order No. R-13057.

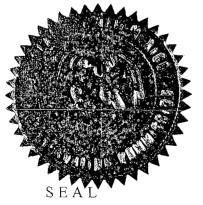
(5) Order No. R-13057 and the Unit thereby established should be re-instated, and Applicant should be allowed until April 22, 2010 to commence the proposed well.

IT IS THEREFORE ORDERED THAT:

(1) Order No. R-13057 and the Unit thereby established are re-instated upon all of the same terms and conditions set forth in said Order, SAVE AND EXCEPT THAT, the time for commencing the drilling of the proposed well as set forth in Ordering. Paragraphs (3) and (4) of Order No. R-13057 is hereby extended to April 22, 2010.

(2) 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

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MARK E. FESMIRE, P.E. Director