

MERRION

OIL & GAS

October 16, 2001

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

**RE: 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**

Merrion Oil & Gas (Merrion) supports the application by Burlington and Conoco to the New Mexico Oil Conservation Division for 80-acre infill development in the Basin Dakota pool and the creation of well location rules for the Basin Dakota pool that are identical to the rules for the Blanco Mesaverde pool.

Merrion believes that by approving the subject application additional gas reserves will be recovered, surface impacts will be minimized, and correlative rights will be protected.

Sincerely,



T. Greg Merrion
President

TGM/so