



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Montana State Office

5001 Southgate Drive, P.O. Box 36800

Billings, Montana 59107-6800

<http://www.mt.blm.gov/>

IN REPLY TO:

Cedar Hills North Unit
Cedar Hills South Unit
Cedar Hills East Unit
Cedar Hills Southwest Unit
South Cedar Hills Unit
NDM 89966X
SDR-922-01-02
3165.3 (922.J)

October 30, 2000

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Ms. Laura Lindley
Burlington Resources Oil and Gas Company
c/o Bjork, Lindley, Danielson & Baker, P.C.
1600 Stout Street, Suite 1400
Denver, Colorado 80202

Dear Ms. Lindley:

On October 24, 2000, we received a telefax of your letter of the same date (Enclosure 1), in which you requested an extension of time to file a State Director Review (SDR) on behalf of your client, Burlington Resources Oil and Gas Company (BR). The request for an SDR is based on the Bureau of Land Management's September 13, 2000, decision to reject BR's four-unit proposal in the Cedar Hills area, and rescinding its designation of the South Cedar Hills Unit, Slope, and Bowman Counties, North Dakota. The SDR request was considered timely filed on October 24, 2000, in accordance with 43 CFR 3165.3(b), and assigned number SDR-922-01-02.

Your request for an extension of time was prompted by the fact that the North Dakota Industrial Commission (NDIC) has yet to hear your four-unit proposal. Also, the NDIC has yet to rule on an alternative unit proposal for the Cedar Hills area, filed by Continental Resources, Inc. (CRI), and heard October 3-6, 2000. At the hearing for the CRI proposal, you presented an additional alternative that would establish a single water flood unit across the entire Cedar Hills area. The NDIC decision regarding the two applications is fundamental to your need for an extension.

You request an extension to March 19, 2001. This would allow BR 90 days plus a week from the date of the December 12, 2000, NDIC decision on the unit proposal(s).

We herein approve your request for an extension to file an SDR to March 19, 2001. In the event your client submits a new proposal unitizing the Cedar Hills area, your extension to file the SDR will be terminated.

If you have any further questions, please feel free to contact Jay Spielman, at (406) 896-5104.

Sincerely,



Thomas P. Lonnie
Deputy State Director
Division of Resources

1 Enclosure

1-SDR Request for Extension (3 pp)

cc:

North Dakota Field Office

Rick Larson, North Dakota State Land Department, 1707 N. 9th St.,
Bismarck, ND 58506

Lynn Helms, North Dakota Industrial Commission, Oil and Gas Division, 600 East
Boulevard, Bismarck, ND 58505

Lawrence Bender, Pearce & Durick, P.O. Box 400, Bismarck, ND 58502-0400

John Morrison, Fleck Law Firm, P.O. Box 2798, Bismarck, ND 58502

S. Keith Frank, Burlington Resources Oil and Gas Company, P.O. Box 51810,
Midland, TX 79710-1810

Ron Miller, Continental Resources, Inc., P.O. Box 1032, Enid, OK 73702