

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION COMMISSION**

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION COMMISSION FOR
THE PURPOSE OF CONSIDERING:**

CASE NO. 13100

**APPLICATION OF THE FRUITLAND COALBED METHANE STUDY
COMMITTEE TO AMEND RULES 4 AND 7 OF THE SPECIAL RULES AND
REGULATIONS FOR THE BASIN-FRUITLAND COAL GAS POOL IN SECTIONS
17 AND 18, TOWNSHIP 30 NORTH, RANGE 14 WEST, AND THE S/2 OF SECTION
13, THE S/2 OF SECTION 14, AND SECTIONS 23, 24, 25, 26 AND 35, TOWNSHIP 30
NORTH, RANGE 15 WEST, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO.**

ORDER NO. R-8768-G

ORDER OF THE OIL CONSERVATION COMMISSION

BY THE COMMISSION:

THIS MATTER came before the Oil Conservation Commission (the Commission) for hearing on June 17, 2004 at Santa Fe, New Mexico on San Juan Coal Company's Motion to Withdraw or Dismiss, and the Commission, having carefully considered the same, now, on this 17th day of June, 2004,

FINDS,

1. Notice has been given of the application and the hearing on this matter, and the Commission has jurisdiction of the parties herein.
2. A hearing was held before the Commission on this matter on June 4, 2003. Subsequent to the hearing, the parties, San Juan Coal Company and Dugan Production Corporation, advised the Commission that they had reached agreement concerning the matters in controversy between them.
3. The Commission therefore finds, in accordance with the settlement agreement between the parties, that the appeal of San Juan Coal Company should be dismissed with prejudice as to Dugan Production Corporation, but without affecting the positions asserted by San Juan Coal Company in Case No. 12734, which is currently pending.

IT IS THEREFORE ORDERED THAT:

1. The appeal of San Juan Coal Company in this case is dismissed with prejudice as to Dugan Production Corporation.
2. Division Order No. R-8768-C shall remain in force and effect as to the lands covered by this Order.
3. This Order shall have no precedential, *res judicata*, collateral estoppel or other effect on the positions asserted by San Juan Coal Company in Case No. 12734 (*de novo*), or any related review or appeals that may arise therefrom, or any similar proceedings involving parties other than Dugan Production Corporation.
4. Jurisdiction is hereby 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 COMMISSION**



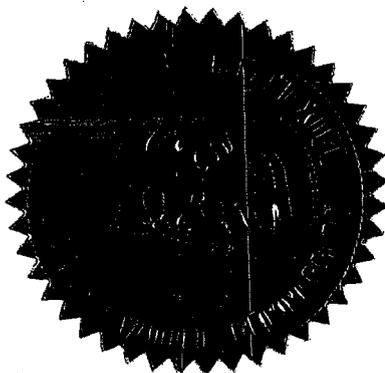
JAMI BAILEY, MEMBER



FRANK T. CHAVEZ, MEMBER



MARK E. FESMIRE, P.E., CHAIR



SEAL