

RECEIVED OIL  
STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

2012 NOV 20 P 1:41

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

**APPLICATION OF BURLINGTON RESOURCES  
OIL & GAS COMPANY LP FOR  
COMPULSORY POOLING  
SAN JUAN COUNTY, NEW MEXICO**

**CASE NO. 14926**

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by Burlington Resources Oil & Gas Company LP as required by the New Mexico Oil Conservation Division.

**APPEARANCES OF THE PARTIES**

**APPLICANT**

Burlington Resources Oil & Gas Company  
3535 West 32<sup>nd</sup> Street  
Farmington, NM 87501  
Attn: Terry B. Simcoe  
Phone 505-326-9878

**ATTORNEY**

W. Thomas Kellahin  
706 Gonzales Road  
Santa Fe, New Mexico 87501  
Ph 505-982-4285  
Fx 505-982-2047  
[tkellahin@comcast.net](mailto:tkellahin@comcast.net)

**OTHER PARTIES**

None has filed appearances.

**ATTORNEY**

## STATEMENT OF THE CASE

### APPLICANT:

**This will be presented by affidavit:**

Burlington Resources Oil & Gas Company LP. ("Burlington") seeks an order pooling all mineral interests from the top of the Mesaverde formation to the base of the Dakota formation underlying the N/2 of Section 7, T29N, R10W, NMPM, San Juan County, New Mexico, forming a standard 308.28-acre gas spacing and proration unit for the Mesaverde, Mancos and Dakota formations spaced on 320-acre spacing.

These units are to be dedicated to its (a) Houck Com 2 well to be drilled and completed at a standard surface well location 1570 feet FNL and 1114 feet FWL and a standard bottom hole location 1970 feet FNL and 1115 feet FWL of Sec 7 as downhole commingled wellbore for production from the Dakota, Mancos and Mesaverde formations and its (b) Houck Com 2N well to be drilled and completed at a standard surface well location 1518 feet FNL and 1115 feet FWL and a standard bottom hole location 710 feet FNL and 710 feet FWL of Sec 7 as downhole commingled wellbore for production from the Dakota, Mancos and Mesaverde formations.

Burlington will **withdraw** its request for a provision authorizing the applicant to hold any proceeds, rather than establish an escrow account, and to then escheat those funds directly to the Tax & Rev, as the Administrator under the New Mexico Unclaimed Property Act.

Also to be considered will be the costs of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and, pursuant to Commission Order R-11992, a charge 200% charge for the risk involved in this well.

## PROPOSED EVIDENCE

### APPLICANT

### WITNESSES

### EST. TIME

### EST. EXHIBITS

By Affidavit of

Terry B. Simcoe, petroleum landman

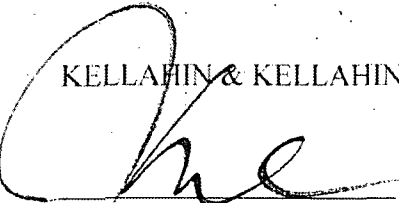
@ 10 min.

@ 8-12

## PROCEDURAL MATTERS

None

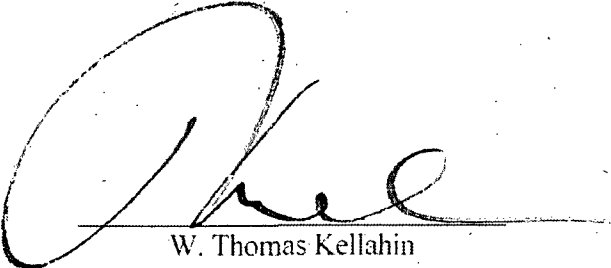
KELLAHIN & KELLAHIN

  
W. Thomas Kellahin  
706 Gonzales Road  
Santa Fe, NM 87501  
Ph 505-0982-4285  
Fx 505-216-2780  
[tkellahin@comcast.net](mailto:tkellahin@comcast.net)

**CERTIFICATION OF SERVICE**

I hereby certify that a copy of this pleading was served upon the following counsel of record this 21th day of November 2012, by email

David K. Brooks, Esq.  
Oil Conservation Division  
1220 South St. Francis Drive  
[david.brooks@state.nm.us](mailto:david.brooks@state.nm.us)

  
W. Thomas Kellahin