

**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:**

**APPLICATION OF LEWIS B. BURLESON, INC.
TO RESCIND ORDER R-676- FOR A PLUGGING
ORDER AND APPROVAL OF A 160-ACRE
NON-STANDARD GAS PRORATION AND SPACING UNIT
LEA COUNTY, NEW MEXICO.**

CASE NO. 12617

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by LEWIS B. BURLESON INC., as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

Lewis B. Burleson Inc.
P. O. Box 2479
Midland, Texas 79702
(915) 683-4747
attn: Steve Burleson

ATTORNEY

W. Thomas Kellahin
KELLAHIN & KELLAHIN
P.O. Box 2265
Santa Fe, NM 87504
(505) 982-4285

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STATEMENT OF CASE

1. Applicant, Lewis B. Burleson Inc. ("Burleson"), is the operator of the Cooper G Well No. 1 ("the Burleson Well") located in Unit N of Section 11, T24S, R36E, Lea County, New Mexico.

2. On August 17, 1955 the New Mexico Oil Conservation Commission issued Order R-676 which approved a 320-acre non-standard gas proration and spacing unit consisting of the W/2 of Section 11, T24S, R36E to be dedicated to the R. Olson Oil Company Cooper "G" Well No. 1 located 1320 feet from the South line and 1320 feet from the West line of Section 11 for production from the Jalmat Gas Pool ("the Olson/Arrington Well");

3. In July, 1996, the Olson/Arrington Well ceased producing from the Jalmat Gas Pool and is now listed as "temporarily abandoned".

4. On October 1, 1996, Arrington assumed operations of the Olson Oil Company Cooper "G" Well No. 1 ("the Olson/Arrington Well")

5. On October 31, 1997, the oil and gas leases covering the Jalmat Gas Pool for the Olson/Arrington Well expired.

6. On June 1, 2000, Burleson obtained new oil and gas leases for the Jalmat Gas Pool interval covering the SW/4 of Section 11.

7. On February 17, 2001, the Division approved Burleson's application to drill the Burleson Well as a Langlie-Mattix well. Because the Burleson well was unable to produced from the Langlie-Mattix Pool, on February 22, 2001, Burleson filed an application to plug the well back to the Jalmat Gas Pool.

8. Burleson proposes to dedicate the Burleson Well to a 160-acre non-standard gas proration and spacing unit ("GPU") consisting of the SW/4 of Section 11.

9. In order to dedicate the Burleson Well to this proposed 160-acre GPU, it is necessary to: (a) rescind Division Order R-676; and (b) require David H. Arrington Oil & Gas Inc. ("Arrington") to properly plug its Cooper G. Well No. 1 ("the Olson/Arrington Well") located in Unit K of Section 11, T24S, R36E.

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10. Approval of the application will afford the applicant the opportunity to produce its just and equitable share of the hydrocarbons in the Jalmat Gas Pool and will otherwise prevent waste and protect correlative rights.

PROPOSED EVIDENCE

APPLICANT:

WITNESSES

Steve Burleson

EST. TIME EXHIBITS

30 min. @ 12 exhibits

PROCEDURAL MATTERS

None anticipated at this time.

KELLAHIN AND KELLAHIN

By: 

W. Thomas Kellahin

P.O. Box 2265

Santa Fe, New Mexico 87504

(505) 982-4285