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W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

April 9, 2001

HAND DELIVERED

Ms. Lori Wrotenbery, Director
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

Case 12650

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OIL CONSERVATION DIV

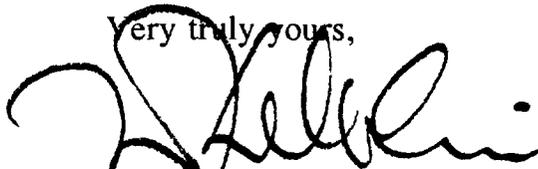
Re: Allison Unit Com Well No 64
Application of Burlington Resources
Oil & Gas Company for approval of
a 317.51 acre non-standard gas proration and
spacing unit in the Blanco Mesaverde Gas Pool,
San Juan County, New Mexico

Dear Ms. Wrotenbery:

On behalf of Burlington Resources Oil & Gas Company, please find enclosed our referenced application which we request be set for hearing on the next available Examiner's docket now scheduled for May 3, 2001.

Also enclosed is our proposed advertisement of this case for the NMOCD docket.

Very truly yours,



W. Thomas Kellahin

cc: Burlington Resources Oil & Gas Company
Attn: Mr. Alan Alexander

PROPOSED ADVERTISEMENT

Case 12650: Application of Burlington Resources Oil & Gas Company for approval of a 317.51 acre non-standard gas spacing and proration units, San Juan County, New Mexico. Applicant seeks the approval of a non-standard gas spacing and proration units within the Allison Unit to be dedicated to any production from the Blanco Mesaverde Gas Pool, to be configured from Lots 1 and 2, the SE/4NE/4 and the E/2SE/4 of Section 8 and the SW/4 of Section 9, T32N, R6W, NMPM, San Juan County, New Mexico. This unit is made necessary as a result of variations in the legal subdivision of the United States Public Land Survey and is identical to the non-standard gas spacing and proration unit which has been approved for the Basin Dakota Gas Pool. The unit located approximately 3 miles east of the intersection of New Mexico State Highway 511 and the borders of the States of New Mexico and Colorado. **IN THE ABSENCE OF OBJECTION THIS MATTER WILL BE TAKEN UNDER ADVISEMENT**

**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:**

CASE 12650

**APPLICATION OF BURLINGTON RESOURCES
OIL & GAS COMPANY FOR APPROVAL OF A
NON-STANDARD GAS PRORATION AND SPACING
UNIT FOR THE BLANCO MESAVERDE GAS POOL,
SAN JUAN COUNTY, NEW MEXICO.**

APPLICATION

Comes now BURLINGTON RESOURCES OIL & GAS COMPANY, by and through its attorneys, Kellahin and Kellahin, and applies to the New Mexico Oil Conservation Division of a non-standard gas spacing and proration units within the Allison Unit to be dedicated to any production from the Blanco Mesaverde Gas Pool, to be configured from Lots 1 and 2, the SE/4NE/4 and the E/2SE/4 of Section 8 and the SW/4 of Section 9, T32N, R6W, NMPM, San Juan County, New Mexico. This unit is made necessary as a result of variations in the legal subdivision of the United States Public Land Survey and is identical to the non-standard gas spacing and proration unit which has been approved for the Basin Dakota Gas Pool.

In support of its application, Burlington Resources Oil & Gas Company ("Burlington") states:

(1) Burlington is the operator of the Allison Unit which contains certain irregular sections. **See Exhibit 1 attached.**

(2) As a result of variations in the legal subdivision of the United States Public Land Survey, there are certain sections contained within the unit which are irregular in shape and size. **See Exhibit 1 attached.**

(3) Burlington proposes to drill its Allison Unit Com Well No. 64 as a downhole commingled Dakota and Mesaverde formation well at a location 2065 feet from the South and 145 feet from the east line (Unit I) of Section, Township 32 North Range 6 West and to be dedicated to a 317.51 acre non-standard gas proration and spacing unit consisting of the following description surveyed February 21, 2001:

Township 32 North, Range 6 West

Section 8: Lots 1 and 2
SE/4NE/4 and
E/2SE/4

Section 9: SW/4

(4) The Allison Unit Com Well No. 64 is the first Dakota/Mesaverde well within the proposed non-standard spacing and proration unit. **See C-102 attached**

(5) This non-standard gas proration and spacing unit has been previously approved by the Division for Basin Dakota Gas Pool production. See Tract G on page 10 of Order R-2046 dated August 14, 1961.

(6) Approval of this application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Blanco-Mesaverde Gas Pool, will promote the orderly development of this area, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells and will otherwise prevent waste and protect corrective rights.

(7) Notice of this application has been sent to all interest owners entitled to receive production from these units and the offset operators.

WHEREFORE Applicant requests that this matter be set for hearing on May 3, 2001 before a duly appointed Examiner of the Oil Conservation Division and that after notice and hearing as required by law, the Division enter its order granting this application.

Respectfully submitted



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