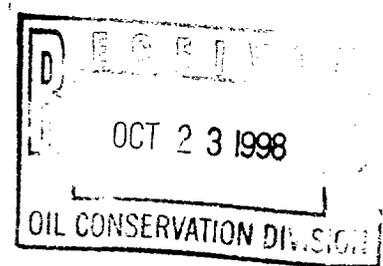


October 22, 1998

State Of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505



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

CASE NO. 12069

APPLICATION OF

Burlington Resources Oil & Gas Company to increase the vertical limits, provide for notice requirements, establish administrative procedures, amend special Pool rule 2(b) and adopt new Special Pool rules 2(c) and 3 for the Blanco-Mesaverde Gas Pool for purposes of increasing well density and changing well location requirements for Mesaverde wells, Rio Arriba and San Juan Counties, New Mexico.

PRE-HEARING STATEMENT

This prehearing statement is submitted by Williams Production Company (Williams) as required by the Oil Conservation Division. Please have the following statement read and entered into the record.

Williams supports Burlington Resources Oil & Gas Company's application to increase vertical limits and increase well density in the Blanco-Mesaverde Pool CASE NO. 12069.

Williams' analysis of the San Juan 29-7 pilot project indicates that new or "incremental" reserves will be recovered with a third infill well per 320 acre drill block.

In addition, our analysis indicates that significant new reserves and deliverability and a significant number of commercial infill wells in the Blanco-Mesaverde Gas Pool will be created if the referenced application is approved. These new reserves and additional deliverability will help offset the declines that are occurring basin-wide and are necessary to prevent waste of the reserves.

Williams would like to thank the NMOCD Examiners for the opportunity to participate in this hearing by having this statement read and entered into the record.

Very truly yours,

Darrell L. Gillen
Darrell L. Gillen
Manager, Leasehold Operations



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE



GARY E. JOHNSON
GOVERNOR

JENNIFER A. SALISBURY
CABINET SECRETARY

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178 FAX: (505) 334-6170

FAX TRANSMITTAL SHEET

DATE: 10-23-98

TO: RAND CARROLL FROM: Ernie Bosch
DAVID CATTANACH

COMMENTS: THIS IS A PRE-HEARING STATEMENT FOR THE
UPCOMING MESQUERDE HEARING ON THE 29th
WE CAN'T TELL IF YOU RECEIVED A COPY OF THE
ORIGINAL OR NOT, SO HERE IS A FAX OF A FAX WE GOT.

NUMBER OF PAGES INCLUDING COVER: 4

Ⓢ

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

CASE NO.

RECEIVED
OCT 23 1998

OIL CON. DIV.
DIST. 3

PRE-HEARING STATEMENT

This prehearing statement is submitted by
as required by the Oil Conservation Division.

T. Blawett

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

name, address, phone and
contact person

OPPOSITION OR OTHER PARTY

ATTORNEY

Blawett Trust
Box 55
Aztec NM 87410
505-334-1201
T. Blawett

name, address, phone and
contact person

Pre-hearing Statement
NMOCD Case No. _____
Page 2

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

RECEIVED
OCT 23 1998
OIL CON. DIV.
DIST. 3

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

Blancett Trust will cite evidence using
the following:

Applicable	NM SA
	FEMA Regulation
	BLM Regulation

Regarding Surface Reclamation
And Damage
Also we will discuss Property Rights
As pertains to oil and gas

Pre-hearing Statement
NMOCB Case No. _____
Page 3

PROPOSED EVIDENCE

APPLICANT

WITNESSES
(Name and expertise)

EST. TIME

EXHIBITS

RECEIVED
OCT 23 1998
OIL CON. DIV
DIST. 3

OPPOSITION

WITNESSES
(Name and expertise)

EST. TIME

EXHIBITS

*T. Blinnett, Trustee
Blinnett Trustee
Steward of 75-100 Section
of grazing in designated area and 3000+ or - acres of fee land.*

7-10 mins

5 exhibits + Summary

PROCEDURAL MATTERS
(Please identify any procedural matters which need to be resolved prior to the hearing)

Blinnett

Signature

MS.

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

OIL CONSERVATION DIV.
99 OCT 23 PM 2:38

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

CASE NO. 12069

**APPLICATION OF BURLINGTON RESOURCES OIL & GAS COMPANY TO
ADOPT NEW RULES FOR AND TO AMEND THE SPECIAL RULES FOR
THE BLANCO-MESAVERDE GAS POOL INCLUDING WELL DENSITY AND
WELL LOCATIONS, RIO ARRIBA AND SAN JUAN COUNTIES, NEW
MEXICO.**

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by BURLINGTON RESOURCES OIL & GAS COMPANY as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

Burlington Resources Oil & Gas Company
P. O. Box 4289
Farmington, N.M. 87499
Attn: Alan Alexander
(505) 326-9757

ATTORNEY

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

STATEMENT OF CASE

APPLICANT:

Burlington Resources Oil & Gas Company, based upon a study of the geological and reservoir engineering data, has concluded that in order to increase ultimate recovery of gas from this pool there is a need to adopt and amend rules and regulations for this pool in order to drill more wells per GPU than is currently permitted by Rule 2(b) of the pool rules.

Proposed rule changes: Accordingly, Burlington desires that the Division amend the Special Rules and Regulations for the Blanco Mesaverde Gas Pool to allow a maximum of four (4) wells per GPU ("80-acre infill") in this pool as set forth in Exhibit attached to its application in this case which is incorporated herein by reference.

Proposed special qualifying area: The proposed Special Qualifying Area of this pool is shown on the map attached as Exhibit 2 and as shown in the acreage description set forth in Exhibit 3.

Increasing the vertical limit of the pool:

- (a) The current top vertical limit for this pool is the Huerfanito bentonite marker.
- (b) There is a need to increase the current top vertical limit of the pool to include that interval from the Huerfanito bentonite marker up to 400 feet above this marker.

Notifications:

- (a) With the exception of Rule 2(a) dealing with the size of a gas proration and spacing unit in this pool, all other rules for this pool involve operational aspects dealt with by the operators of existing GPU's for this pool.
- (b) The Division should adopt a procedure whereby future changes in the rules and regulations for the pool, excluding Rule 2(a), may be made based upon notice to operators and not to all interest owners in the pool.

Grandfathering:

(a) Order R-1670-T currently limits the number of wells in a GPU to an original well and to one optional infill well drilled on the opposite 160-acres from the 160-acre containing the original well.

(b) Notwithstanding this limitation, the OCD-Aztec has allowed a third well ("second infill well") to be drilled in a number of GPUs.

(c) Any second infill well drilled to or completed in this pool prior to the effective date of an order approving this application shall be deemed to have also approved these existing second infill wells.

Coordination with BLM:

(a) Because the proposed special qualifying area of this pool includes numerous federal oil and gas leases, it is necessary to adopt a procedure to allow the BLM to withhold its approval of an application for permit to drill ("APD") until such time as the applicant has submitted to the BLM proof that the applicant has satisfied the requirements of proposed Rule 2(b).

(b) The Division's District Supervisor should be authorized to develop with the concurrence of the Bureau of Land Management such a procedures to insure compliance with proposed Rule 2(b).

PROPOSED EVIDENCE

WITNESSES	EST. TIME	EXHIBITS
Brent Smolik (petroleum engineer)	30-45 min	@ 6-8 ✓
William Babcock (geologist)	45-60 min.	@ 20
Shawn Woolverton (petroleum engineer)	45-60 Min	@ 20
Alan Alexander (petroleum landman)	60 Min	@ 8

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

~~STATE OF NEW MEXICO~~
~~ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT~~
~~OIL CONSERVATION DIVISION~~
95 OCT 22 11 31 AM '81

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

CASE NO. 12069

APPLICATION OF BURLINGTON RESOURCES
OIL & GAS COMPANY TO INCREASE THE
VERTICAL LIMITS, PROVIDE FOR NOTICE
REQUIREMENTS, ESTABLISH ADMINISTRATIVE
PROCEDURES, AMEND SPECIAL POOL RULE 2(b)
AND ADOPT NEW SPECIAL POOL RULES 2(c)
AND 3 FOR THE BLANCO-MESAVERDE GAS
POOL FOR PURPOSES OF INCREASING WELL
DENSITY AND CHANGING WELL LOCATION
REQUIREMENTS FOR MESAVERDE WELLS,
RIO ARRIBA AND SAN JUAN COUNTIES, NEW MEXICO.

MS.

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell, Carr & Berge & Sheridan, P.A.,
as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Burlington Resources Oil & Gas Company

ATTORNEY

W. Thomas Kellahin, Esq.
Kellahin & Kellahin
Post Office Box 2265
Santa Fe, NM 87504
(505) 982-4285

OTHER PARTY

Amoco Production Company
c/o Pam Staley
Post Office Box 800
Denver, CO 80201
(303) 830-5344

ATTORNEY

William F. Carr, Esq.
Campbell, Carr, Berge & Sheridan, P.A.
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

name, address, phone and
contact person

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

OTHER INTERESTED PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

Amoco will present testimony in support of amendment of the Special Pool Rules for the Blanco-Mesaverde Gas Pool to provide for additional wells on each 320-acre gas spacing and proration unit. To assure correlative rights are protected when additional wells are drilled on these units, Amoco will make recommendations concerning the requested changes to these rules in the vertical limits of the pool, notice requirements, and need for qualifying areas in this pool.

PROPOSED EVIDENCE

APPLICANT

WITNESSES
(Name and expertise)

EST. TIME

EXHIBITS

OTHER INTERESTED PARTY

WITNESSES
(Name and expertise)

EST. TIME

EXHIBITS

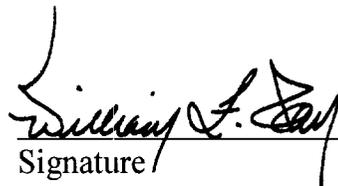
Pamela Staley, Petroleum Engineer

20 Min.

Approximately 5

PROCEDURAL MATTERS

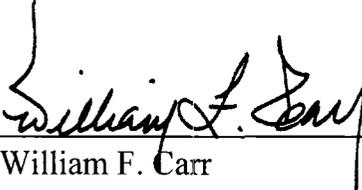
(Please identify any procedural matters which need to be resolved prior to hearing)


Signature

CERTIFICATE OF SERVICE

I hereby certify that I have caused a true and correct copy of the foregoing Pre-Hearing Statement to be mailed on this 22nd day of October, 1998 to the following counsel of record:

W. Thomas Kellahin, Esq.
Kellahin & Kellahin
Post Office Box 2265
Santa Fe, New Mexico 87504-2265



William F. Carr

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

98 OCT 22 PM 3:55

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

CASE NO. 12069

APPLICATION OF BURLINGTON RESOURCES
OIL & GAS COMPANY TO INCREASE THE
VERTICAL LIMITS, PROVIDE FOR NOTICE
REQUIREMENTS, ESTABLISH ADMINISTRATIVE
PROCEDURES, AMEND SPECIAL POOL RULE 2(b)
AND ADOPT NEW SPECIAL POOL RULES 2(c)
AND 3 FOR THE BLANCO-MESAVERDE GAS
POOL FOR PURPOSES OF INCREASING WELL
DENSITY AND CHANGING WELL LOCATION
REQUIREMENTS FOR MESAVERDE WELLS,
RIO ARRIBA AND SAN JUAN COUNTIES, NEW MEXICO.

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell, Carr & Berge & Sheridan, P.A.,
as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Burlington Resources Oil & Gas Company

ATTORNEY

W. Thomas Kellahin, Esq.
Kellahin & Kellahin
Post Office Box 2265
Santa Fe, NM 87504
(505) 982-4285

OTHER PARTY

Amoco Production Company
c/o Pam Staley
Post Office Box 800
Denver, CO 80201
(303) 830-5344

ATTORNEY

William F. Carr, Esq.
Campbell, Carr, Berge & Sheridan, P.A.
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

name, address, phone and
contact person

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

OTHER INTERESTED PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

Amoco will present testimony in support of amendment of the Special Pool Rules for the Blanco-Mesaverde Gas Pool to provide for additional wells on each 320-acre gas spacing and proration unit. To assure correlative rights are protected when additional wells are drilled on these units, Amoco will make recommendations concerning the requested changes to these rules in the vertical limits of the pool, notice requirements, and need for qualifying areas in this pool.

PROPOSED EVIDENCE

APPLICANT

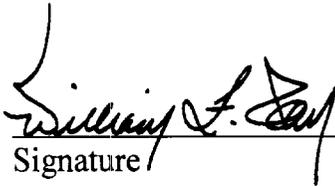
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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OTHER INTERESTED PARTY

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Pamela Staley, Petroleum Engineer	20 Min.	Approximately 5

PROCEDURAL MATTERS

(Please identify any procedural matters which need to be resolved prior to hearing)

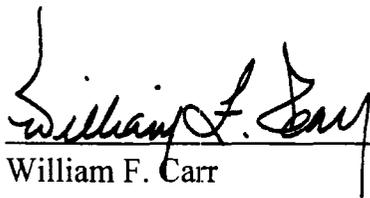


Signature

CERTIFICATE OF SERVICE

I hereby certify that I have caused a true and correct copy of the foregoing Pre-Hearing Statement to be mailed on this 22nd day of October, 1998 to the following counsel of record:

W. Thomas Kellahin, Esq.
Kellahin & Kellahin
Post Office Box 2265
Santa Fe, New Mexico 87504-2265



William F. Carr

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

OIL CONSERVATION DIV
98 OCT 22 PM 3:55

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

CASE NO. 12069

APPLICATION OF BURLINGTON RESOURCES
OIL & GAS COMPANY TO INCREASE THE
VERTICAL LIMITS, PROVIDE FOR NOTICE
REQUIREMENTS, ESTABLISH ADMINISTRATIVE
PROCEDURES, AMEND SPECIAL POOL RULE 2(b)
AND ADOPT NEW SPECIAL POOL RULES 2(c)
AND 3 FOR THE BLANCO-MESAVERDE GAS
POOL FOR PURPOSES OF INCREASING WELL
DENSITY AND CHANGING WELL LOCATION
REQUIREMENTS FOR MESAVERDE WELLS,
RIO ARRIBA AND SAN JUAN COUNTIES, NEW MEXICO.

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell, Carr & Berge & Sheridan, P.A.,
as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Burlington Resources Oil & Gas Company

ATTORNEY

W. Thomas Kellahin, Esq.
Kellahin & Kellahin
Post Office Box 2265
Santa Fe, NM 87504
(505) 982-4285

OTHER PARTY

Amoco Production Company
c/o Pam Staley
Post Office Box 800
Denver, CO 80201
(303) 830-5344

ATTORNEY

William F. Carr, Esq.
Campbell, Carr, Berge & Sheridan, P.A.
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

name, address, phone and
contact person

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

OTHER INTERESTED PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

Amoco will present testimony in support of amendment of the Special Pool Rules for the Blanco-Mesaverde Gas Pool to provide for additional wells on each 320-acre gas spacing and proration unit. To assure correlative rights are protected when additional wells are drilled on these units, Amoco will make recommendations concerning the requested changes to these rules in the vertical limits of the pool, notice requirements, and need for qualifying areas in this pool.

PROPOSED EVIDENCE

APPLICANT

WITNESSES
(Name and expertise)

EST. TIME

EXHIBITS

OTHER INTERESTED PARTY

WITNESSES
(Name and expertise)

EST. TIME

EXHIBITS

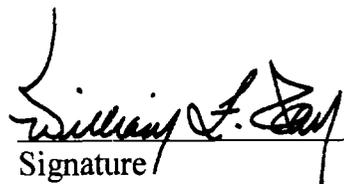
Pamela Staley, Petroleum Engineer

20 Min.

Approximately 5

PROCEDURAL MATTERS

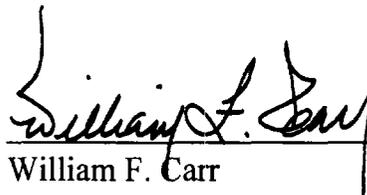
(Please identify any procedural matters which need to be resolved prior to hearing)


Signature

CERTIFICATE OF SERVICE

I hereby certify that I have caused a true and correct copy of the foregoing Pre-Hearing Statement to be mailed on this 22nd day of October, 1998 to the following counsel of record:

W. Thomas Kellahin, Esq.
Kellahin & Kellahin
Post Office Box 2265
Santa Fe, New Mexico 87504-2265



William F. Carr

BEFORE THE
NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF
BURLINGTON RESOURCES OIL & GAS
COMPANY TO INCREASE THE VERTICAL LIMITS,
PROVIDE NOTICE REQUIREMENTS, ESTABLISH
ADMINISTRATIVE PROCEDURES AND ADOPT
A NEW RULE 2(c), RULE 3 AND TO AMEND
RULE 2(b) FOR THE SPECIAL RULES AND
REGULATIONS FOR THE BLANCO MESAVERDE POOL,
RIO ARRIBA AND SAN JUAN COUNTIES, NEW MEXICO.

CASE NO. 12089

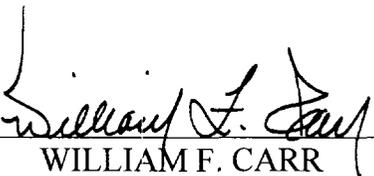
OIL CONSERVATION DIV.
98 SEP 31 PM 12:28

ENTRY OF APPEARANCE

COMES NOW CAMPBELL, CARR, BERGE & SHERIDAN, P.A., and hereby
enters its appearance in the above referenced case on behalf of Amoco Production Company.

Respectfully submitted,

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.

By: 

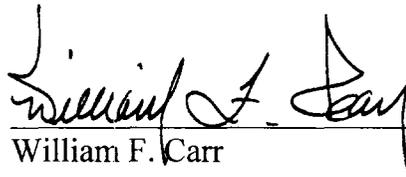
WILLIAM F. CARR
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

ATTORNEYS FOR AMOCO PRODUCTION
COMPANY

CERTIFICATE OF SERVICE

I hereby certify that on this 13 day of October, 1998, I have caused to be mailed a copy of our Entry of Appearance in the above-captioned case to the following named counsel:

W. Thomas Kellahin, Esq.
Kellahin & Kellahin
Post Office Box 2265
Santa Fe, New Mexico 87504-2265



William F. Carr

BEFORE THE

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF
BURLINGTON RESOURCES OIL & GAS
COMPANY TO INCREASE THE VERTICAL LIMITS,
PROVIDE NOTICE REQUIREMENTS, ESTABLISH
ADMINISTRATIVE PROCEDURES AND ADOPT
A NEW RULE 2(c), RULE 3 AND TO AMEND
RULE 2(b) FOR THE SPECIAL RULES AND
REGULATIONS FOR THE BLANCO MESAVERDE POOL,
RIO ARRIBA AND SAN JUAN COUNTIES, NEW MEXICO.

CASE NO. 2669

OIL CONSERVATION DIV
98 SEP 31 PM 12:37

ENTRY OF APPEARANCE

COMES NOW CAMPBELL, CARR, BERGE & SHERIDAN, P.A., and hereby
enters its appearance in the above referenced case on behalf of Amoco Production Company.

Respectfully submitted,

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.

By: William F. Carr

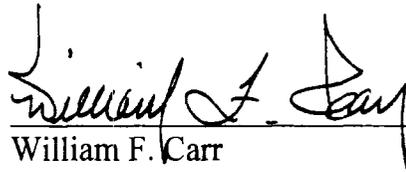
WILLIAM F. CARR
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

ATTORNEYS FOR AMOCO PRODUCTION
COMPANY

CERTIFICATE OF SERVICE

I hereby certify that on this 15 day of October, 1998, I have caused to be mailed a copy of our Entry of Appearance in the above-captioned case to the following named counsel:

W. Thomas Kellahin, Esq.
Kellahin & Kellahin
Post Office Box 2265
Santa Fe, New Mexico 87504-2265



William F. Carr

BEFORE THE
NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF
BURLINGTON RESOURCES OIL & GAS
COMPANY TO INCREASE THE VERTICAL LIMITS,
PROVIDE NOTICE REQUIREMENTS, ESTABLISH
ADMINISTRATIVE PROCEDURES AND ADOPT
A NEW RULE 2(c), RULE 3 AND TO AMEND
RULE 2(b) FOR THE SPECIAL RULES AND
REGULATIONS FOR THE BLANCO MESAVERDE POOL,
RIO ARRIBA AND SAN JUAN COUNTIES, NEW MEXICO.

OIL CONSERVATION DIV.
98 SEP 31 PM 12: 25

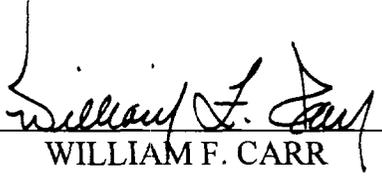
CASE NO. 12069

ENTRY OF APPEARANCE

COMES NOW CAMPBELL, CARR, BERGE & SHERIDAN, P.A., and hereby
enters its appearance in the above referenced case on behalf of Amoco Production Company.

Respectfully submitted,

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.

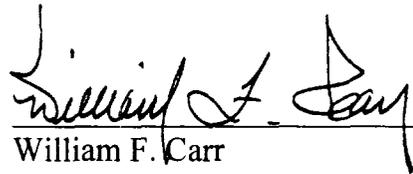
By: 
WILLIAM F. CARR
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

ATTORNEYS FOR AMOCO PRODUCTION
COMPANY

CERTIFICATE OF SERVICE

I hereby certify that on this 1st day of October, 1998, I have caused to be mailed a copy of our Entry of Appearance in the above-captioned case to the following named counsel:

W. Thomas Kellahin, Esq.
Kellahin & Kellahin
Post Office Box 2265
Santa Fe, New Mexico 87504-2265



William F. Carr

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

**APPLICATION OF BURLINGTON RESOURCES
OIL & GAS COMPANY TO INCREASE THE
VERTICAL LIMITS, PROVIDE NOTICE
REQUIREMENTS, ESTABLISH ADMINISTRATIVE
PROCEDURES AND ADOPT A NEW RULE 2(c),
RULE 3 AND TO AMEND RULE 2(b) FOR
THE SPECIAL RULES AND REGULATIONS FOR
THE BLANCO MESAVERDE POOL,
RIO ARRIBA AND SAN JUAN COUNTIES, NEW MEXICO**

CASE NO. 12069

**OIL CONSERVATION DIV.
98 OCT 23 PM 1:53**

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted jointly by Turner Production Co. ("Turner"), Cinco General Partnership ("Cinco"), Schultz Management Ltd. and Henrietta E. Schultz, Trustee ("Schultz"), and the Independent Petroleum Association of New Mexico ("IPA") as required by the New Mexico Oil Conservation Division ("Division") in support of the Application of Burlington Resources Oil and Gas Co. ("Burlington"), which is set for examiner hearing October 29, 1998.

APPEARANCES OF PARTIES

APPLICANT

Burlington Resources Oil & Gas Co.

SUPPORTING PARTIES

Turner Production Co.
One Energy Square – Suite 852
4925 Greenville Ave.
Dallas, TX 75206-4079

Cinco General Partnership
P. O. Box 451
Albuquerque, NM 87103

ATTORNEYS

W. Thomas Kellahin
Post Office Box 2265
Santa Fe, NM 87504
(505) 982-4285

J.E. Gallegos
Michael J. Condon
Gallegos Law Firm
460 St. Michael's Drive
Building 300
Santa Fe, NM 87505
(505) 983-6686

Independent Petroleum Assn.
of New Mexico
529 W. San Francisco Street
Santa Fe, NM 87501

Schultz Management Ltd. &
Henrietta E. Schultz, Trustee
Suite 2160 LB-1
500 North Akard
Dallas, TX 75201-3318

STATEMENT OF THE CASE

Burlington has filed an application in this matter seeking to increase the vertical limits, provide notice requirements, provide special administrative procedures, and adopt new rules and amend existing rules of the Special Rules and Regulations for the Blanco Mesaverde Gas Pool to increase the well density and change well location requirements from the current maximum of two (2) wells per 320-acre gas proration and spacing units to a maximum of four (4) wells per 320-acre gas proration and spacing units for wells dedicated to that pool. Turner, Cinco, Schultz and the IPA support Burlington's application. Approval of the application will prevent waste and protect correlative rights of interest owners in the pool.

PROPOSED EVIDENCE

Burlington has not yet served its Pre-Hearing Statement.

IPA/Cinco

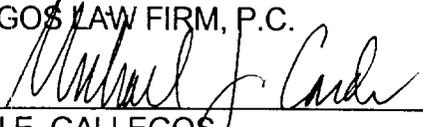
WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Frank Gorham, III (Engineer)	10 minutes	None

PROCEDURAL MATTERS

None.

Respectfully submitted,

GALLEGOS LAW FIRM, P.C.

By 

J.E. GALLEGOS
MICHAEL J. CONDON

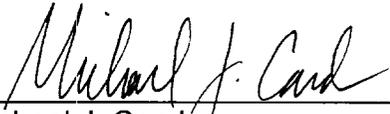
460 St. Michael's Drive, Bldg. 300
Santa Fe, New Mexico 87505
(505) 983-6686

Attorneys for Turner, Cinco and IPA

CERTIFICATE OF SERVICE

I hereby certify that I have caused a true and correct copy of the foregoing to be faxed and mailed on this 23rd day of October, 1998 to the following:

W. Thomas Kellahin
Post Office Box 2265
Santa Fe, NM 87504


Michael J. Condon

Independent Petroleum Assn.
of New Mexico
529 W. San Francisco Street
Santa Fe, NM 87501

Schultz Management Ltd. &
Henrietta E. Schultz, Trustee
Suite 2160 LB-1
500 North Akard
Dallas, TX 75201-3318

STATEMENT OF THE CASE

Burlington has filed an application in this matter seeking to increase the vertical limits, provide notice requirements, provide special administrative procedures, and adopt new rules and amend existing rules of the Special Rules and Regulations for the Blanco Mesaverde Gas Pool to increase the well density and change well location requirements from the current maximum of two (2) wells per 320-acre gas proration and spacing units to a maximum of four (4) wells per 320-acre gas proration and spacing units for wells dedicated to that pool. Turner, Cinco, Schultz and the IPA support Burlington's application. Approval of the application will prevent waste and protect correlative rights of interest owners in the pool.

PROPOSED EVIDENCE

Burlington has not yet served its Pre-Hearing Statement.

IPA/Cinco

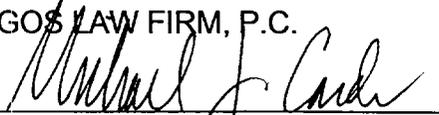
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Respectfully submitted,

GALLEGOS LAW FIRM, P.C.

By 

J.E. GALLEGOS

MICHAEL J. CONDON

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Santa Fe, New Mexico 87505

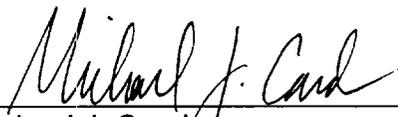
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Michael J. Condon

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

**APPLICATION OF BURLINGTON RESOURCES
OIL & GAS COMPANY TO INCREASE THE
VERTICAL LIMITS, PROVIDE NOTICE
REQUIREMENTS, ESTABLISH ADMINISTRATIVE
PROCEDURES AND ADOPT A NEW RULE 2(c),
RULE 3 AND TO AMEND RULE 2(b) FOR
THE SPECIAL RULES AND REGULATIONS FOR
THE BLANCO MESAVERDE POOL,
RIO ARRIBA AND SAN JUAN COUNTIES, NEW MEXICO**

CASE NO. 12069

**OIL CONSERVATION DIV.
98 OCT 23 PM 1:53**

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted jointly by Turner Production Co. ("Turner"), Cinco General Partnership ("Cinco"), Schultz Management Ltd. and Henrietta E. Schultz, Trustee ("Schultz"), and the Independent Petroleum Association of New Mexico ("IPA") as required by the New Mexico Oil Conservation Division ("Division") in support of the Application of Burlington Resources Oil and Gas Co. ("Burlington"), which is set for examiner hearing October 29, 1998.

APPEARANCES OF PARTIES

APPLICANT

Burlington Resources Oil & Gas Co.

SUPPORTING PARTIES

Turner Production Co.
One Energy Square – Suite 852
4925 Greenville Ave.
Dallas, TX 75206-4079

Cinco General Partnership
P. O. Box 451
Albuquerque, NM 87103

ATTORNEYS

W. Thomas Kellahin
Post Office Box 2265
Santa Fe, NM 87504
(505) 982-4285

J.E. Gallegos
Michael J. Condon
Gallegos Law Firm
460 St. Michael's Drive
Building 300
Santa Fe, NM 87505
(505) 983-6686

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

M.S.

**APPLICATION OF BURLINGTON RESOURCES
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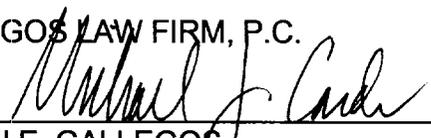
PROCEDURAL MATTERS

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Respectfully submitted,

GALLEGOS LAW FIRM, P.C.

By



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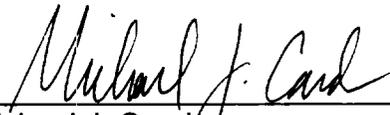
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