



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor
Betty Rivera
Cabinet Secretary

November 21, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Burlington Resources Oil & Gas Company
Attention: Jim Gilcrease
P. O. Box 4239
Houston, Texas 77210-4239

Re: NGPA well category determination for natural gas from a designated tight formation through Burlington Resource's Kelly Knott Well No. 1-A (API No. 30-045-25542), located 1000 feet from the South line and 1520 feet from the East line (Unit O) of Section 8, Township 30 North, Range 10 West, NMPM, Blanco-Mesaverde Pool (72319), San Juan County, New Mexico.

Dear Mr. Gilcrease:

Per our earlier e-mail correspondence today (Thursday, November 21, 2002) concerning Burlington Resources Oil & Gas Company's filing of October 15, 2001. This application is hereby withdrawn and is being returning to you at this time. Please note that the mandatory \$25.00 filing fee required under Rule 2 of the Division's "Special Rules for Application for Wellhead Price Ceiling Category Determinations," as promulgated by Division Order No. R-5878-B, as amended, is non-refundable.

Thank you for your cooperation in this matter.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ms

cc: David K. Miller, Burlington Resources Oil and Gas Company - Houston, Texas
Kathy Valdes - NMOCD, Santa Fe
W. Perry Pearce, Burlington Resources Oil and Gas Company - Houston, Texas

Stogner, Michael

From: Gilcrease Jim [JGilcrease@br-inc.com]
Sent: Thursday, November 21, 2002 3:08 PM
To: Stogner, Michael
Subject: RE: NGPA Well Determination Filing Review

Thanks for the information. I will file with the BLM. You are mailing information to the correct party. Miller signs them since I have retired and working contract.

-----Original Message-----

From: Stogner, Michael [mailto:MSTOGNER@state.nm.us]
Sent: Thursday, November 21, 2002 4:03 PM
To: Gilcrease Jim
Cc: Pearce Perry; Valdes, Kathy
Subject: RE: NGPA Well Determination Filing Review

Re: NGPA well category determination for natural gas from a designated tight formation through Burlington Resource's Kelly Knott Well No. 1-A (API No. 30-045-25542), located 1000' FSL & 1520' FEL (O) of Sec. 8-T30N-R10W, Blanco-Mesaverde Pool (72319), San Juan County, New Mexico.

I do not have an e-mail address for David K. Miller, I am therefore e-mailing you this notice of deficiency to forward to him or to process yourself, whichever is applicable. My review of this application and the Division's records in Santa Fe show that all of Section 8 is Federal minerals and that the Farmington BLM office is the authorizing administrative center for the permitting of this well; therefore, in accordance with Part 270, Subpart D, Sections 270.401 (a), (b) (15) (i), and (c) (22) the Division is not the proper jurisdictional agency to process this filing. If I am in error please provide me with a written discussion concerning this matter. If not would rather I forward this filing to the Albuquerque field office of the BLM or return it to you?

Thank you.



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Oil Conservation Division

Great Western Drilling Company

Attention: Dennis L. Hendrix, Manager of Operations

P. O. Box 1659

Midland, Texas 79702

Re: Application for NGPA Well Category Determination: Pubco State Com. Well No. 1-A (API No. 30-045-27248), located 1690 feet from the South line and 935 feet from the East line (Unit I) of Section 36, Township 31 North, Range 11 West, NMPM, Blanco-Mesaverde Pool (pool code here), San Juan County, New Mexico.

Dear Mr. Hendrix:

Reference is made to your NGPA well category determination application submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe on August 16, 2001, which also included the mandatory \$25.00 filing-fee.

According to the Division's records the above-described Pubco State Com. Well No. 1-A was completed in the Blanco-Mesaverde Pool in 1990 and has been producing only from this interval since then; therefore, your application appears to have been erroneously filed for "occluded natural gas from a coal seam," as provided in Part 270, Subpart C, Section 270.304 of the FERC regulations, instead of "natural gas from a designated tight formation," set forth in Part 270, Subpart C, Section 270.302 of the FERC regulations, with respect to the Designated Tight Formation Area New Mexico-48 ("NM-48"), which was finalized by the Federal Energy Regulatory Commission on September 13, 1993. NM-48 covers an area of 480,076 acres, more or less, in all or portions of Townships 27, 28, 29, 30, 31, and 32 North, Ranges 7, 8, 9, 10, and 11 West, NMPM, San Juan and Rio Arriba Counties New Mexico, and includes the Blanco-Mesaverde Pool (see attached documents). If this is the case, your application as submitted is incomplete and cannot be approved at this time.

If applicable, please provide me with an original and one copy of: (i) the Division's required Form C-132 (see copy attached); (ii) an amended FERC Form 121 with the necessary corrections; and (iii) an amended affidavit for tight formation gas. If I am in error please provide me with a written discussion addressing these issues. Please submit your reply by Wednesday, December 11, 2002. Thank you.

Sincerely,

Michael E. Stogner

Chief Hearing Officer/Engineer

MES/ms

cc: Kathy Valdes - NMOCD, Santa Fe

W. Perry Pearce, Burlington Resources Oil and Gas Company - Houston, Texas

Jim Gilcrease, Burlington Resources Oil and Gas Company - Houston, Texas

Lori Wrotenbery, Director - NMOCD, Santa Fe