

CASE 2253 :

Application of Burlington Resources Oil & Gas Company for an unorthodox gas well location and a non-standard gas proration, San Juan County, New Mexico.

Applicant seeks to establish a non-standard 160-acre gas spacing and proration unit within the Fulcher Kutz-Pictured Cliffs Pool comprising the SW/4 SW/4 (Unit M) of Section 17, the SE/4 SE/4 (Unit P) of Section 18, the NE/4 NE/4 (Unit A) of Section 19, and the NW/4 NW/4 (Unit D) of Section 20, all in Township 29 North, Range 11 West, which is located approximately one mile west northwest of Bloomfield, New Mexico. This unit is to be dedicated to the proposed McDaniel Well No. 1-R to be drilled at an unorthodox gas well location 1150 feet from the South line and 1235 feet from the West line (Unit M) of Section 17.

To Be Set
for Hearing
10-7-99



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

September 2, 1999

Burlington Resources Oil and Gas Company
c/o **W. Thomas Kellahin**
P. O. Box 2265
Santa Fe, New Mexico 87504

Case K253

Re: *Application for administrative approval for Burlington Resources Oil and Gas Company's proposed McDaniel Well No.1-R to be drilled at an unorthodox gas well location in the Fulcher Kutz-Pictured Cliffs Pool 1150' FSL & 1235' FWL (Unit M) of Section 17, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico.*

Dear Mr. Kellahin:

Per our meeting today, I am setting this application to hearing since the issues involved do not allow this application to be processed administratively. The 160-acre unit that Burlington is proposing to dedicate to this well [the SW/4 SW/4 (Unit M) of Section 17, the SE/4 SE/4 (Unit P) of Section 18, the NE/4 NE/4 (Unit A) of Section 19, and the NW/4 NW/4 (Unit D) of Section 20, all in Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico] crosses section lines. Further, the old Order No. R-666 that formed a non-standard 160-acre unit with this same acreage for the McDaniel Well No. 1, located 230 feet from the North line and 280 feet from the East line (Unit A) of Section 19 ceased to exist when this well was plugged and abandoned in 1984. It also appears that notice in this matter was inadequate since no reference was made to the ownership of the N/2 NW/4 and SE/4 NE/4 of Section 17.

The earliest scheduled hearing that this matter can be docketed on will be for the October 7th hearing.

Sincerely

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division – Aztec
U. S. Bureau of Land Management – Farmington
Ms. Peggy Bradfield, Burlington - Farmington
Kathy Valdes, NMOCD – Santa Fe