

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 NO. 11989
Order No. R-11003

APPLICATION OF BURLINGTON RESOURCES
OIL & GAS COMPANY FOR APPROVAL OF
FOUR NON-STANDARD GAS SPACING AND
PRORATION UNITS, SAN JUAN COUNTY,
NEW MEXICO.

RECEIVED
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ORDER OF THE DIVISION

OIL CON. DIV.
DIST. 3

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on June 25, 1998, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 13th day of July, 1998, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised,

FINDS THAT:

(1) Due public notice having been given, the Division has jurisdiction of this case and its subject matter.

(2) The applicant, Burlington Resources Oil & Gas Company, seeks approval of four non-standard gas spacing and proration units for Blanco-Mesaverde Gas Pool production in Irregular Section 12, Township 32 North, Range 7 West, NMPM, and Irregular Sections 7 and 8, Township 32 North, Range 6 West, NMPM, San Juan County, New Mexico, described as follows:

TOWNSHIP 32 NORTH, RANGE 7 WEST, NMPM

<u>TRACT</u>	<u>ACREAGE</u>	<u>DESCRIPTION</u>
1	399.0 acres	Section 12: All

Allison UT. #61
G-7-32N-6W

TOWNSHIP 32 NORTH, RANGE 6 WEST, NMPM

<u>TRACT</u>	<u>ACREAGE</u>	<u>DESCRIPTION</u>
2	308.78 acres	Section 7: N/2 Section 8: N/2 NW/4, SW/4 NW/4
3	318.27 acres	Section 7: S/2
4	320.0 acres	Section 8: SW/4 NE/4, SE/4 NW/4, SW/4, W/2 SE/4

(3) This case was styled such that "In the absence of objection this matter will be taken under advisement."

(4) The applicant appeared at the hearing through legal counsel and presented evidence to support its application. No other party appeared at the hearing.

(5) The evidence indicates that:

- a) the proposed non-standard gas proration units are necessitated by a variation in the legal subdivision of the United States Public Lands Survey;
- b) the applicant proposes to develop each of the non-standard gas proration units in the Blanco-Mesaverde Gas Pool; and,
- c) each of the proposed non-standard gas proration units may reasonably be presumed productive of gas from the Blanco-Mesaverde Gas Pool.

(6) According to evidence presented by the applicant, each of the proposed non-standard gas proration units has previously been approved by the Division for use in developing gas reserves in the Basin-Dakota Gas Pool, said approval granted by Division Order No. R-2046 dated August 14, 1961, and has proven to be effective in promoting orderly development in this area.

(7) Each of the proposed non-standard gas proration units are located within the Allison Unit, a Federal exploratory unit currently operated by the applicant.

(8) No other offset operator and/or interest owner appeared at the hearing in opposition to the application.

(9) Approval of the application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Blanco-Mesaverde Gas Pool, 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 otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The following described non-standard gas spacing and proration units in the Blanco-Mesaverde Gas Pool, San Juan County, New Mexico, are hereby established:

TOWNSHIP 32 NORTH, RANGE 7 WEST, NMPM

<u>TRACT</u>	<u>ACREAGE</u>	<u>DESCRIPTION</u>
1	399.0 acres	Section 12: All

TOWNSHIP 32 NORTH, RANGE 6 WEST, NMPM

<u>TRACT</u>	<u>ACREAGE</u>	<u>DESCRIPTION</u>
2	308.78 acres	Section 7: N/2 ✓ Section 8: N/2 NW/4, SW/4 NW/4

3	318.27 acres	Section 7: S/2
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<u>TRACT</u>	<u>ACREAGE</u>	<u>DESCRIPTION</u>
4	320.0 acres	Section 8: SW/4 NE/4, SE/4 NW/4, SW/4, W/2 SE/4

(2) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

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DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Lori Wrotenberg
LORI WROTENBERY
Director

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