

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

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE SUPERVISOR OF DISTRICT I, FOR AN ORDER REQUIRING SABA ENERGY OF TEXAS, INC., TO PROPERLY PLUG SIX WELLS, ASSESSING AN APPROPRIATE CIVIL PENALTY IN EVENT OF OPERATOR'S FAILURE TO COMPLY, AUTHORIZING THE DIVISION TO PLUG SAID WELLS AND ORDERING A FORFEITURE OF APPLICABLE PLUGGING BOND; LEA COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This entry of appearance and pre-hearing statement is submitted by the applicant, the Oil Conservation Division.

APPEARANCES

APPLICANT

Oil Conservation Division

APPLICANT'S ATTORNEY

Gail MacQuesten
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
1220 S. St. Francis Drive
Santa Fe, NM 87505
(505) 476-3451

RECEIVED

FEB 13 2004

OPPONENTS

Saba Energy of Texas, Inc. Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

OPPONENTS' ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, NM 87504
(505) 982-2043

Redland Insurance Company

No appearance has been entered.

STATEMENT OF THE CASE

APPLICANT

Saba Energy of Texas, Inc. is the operator of record for six shut-in wells in Lea County, New Mexico. The Division made repeated attempts to contact Saba beginning as early as September 2000, to obtain compliance with 19.15.4.201 NMAC, but received no response. Assuming that the wells had been orphaned, the Division filed this application pursuant to 19.15.3.101.M NMAC, seeking an order requiring Saba to plug the wells by a date certain, assessing a civil penalty if Saba fails to comply, authorizing the Division to plug the wells and forfeiture of the bond.

Because Saba has now appeared in this action, the Division will seek an order requiring Saba to bring the wells into compliance under 19.15.4.201 NMAC by producing, plugging or temporarily abandoning the wells by a date certain, and assessing a civil penalty if Saba fails to comply.

OPPONENTS

Unknown. But see Saba's Entry of Appearance and Request for a Continuance, filed n this matter October 31, 2003.

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

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

APPLICATION OF BURLINGTON RESOURCES
OIL & GAS COMPANY LP FOR
COMPULSORY POOLING
RIO ARRIBA COUNTY, NEW MEXICO

CASE NO. 13224

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Burlington Resources Oil & Gas Company LP
as required by the New Mexico Oil Conservation Division.

APPEARANCES OF THE PARTIES

APPLICANT

Burlington Resources Oil & Gas Company LP
P. O. Box 4289
Farmington, New Mexico 87401-4289
Attn: Alan Alexander
505-326-9757

ATTORNEY

W. Thomas Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87504
505-982-4285
Fax: 505-982-2047

OPPONENT

None

ATTORNEY

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STATEMENT OF THE CASE

APPLICANT:

Burlington seeks a compulsory pooling order pooling uncommitted mineral interest owners in a standard 3230-acre proration and spacing unit consisting of the W/2 of Section 9, T29N, R7W for production from the Mesaverde and Dakota formations/pools to be dedicated to its proposed San Juan 29-7 Uplift Wells 80B and 80M located in units E and M of this section. The applicant also seeks a 20% risk charge pursuant to Commission's Order R-11992.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EST. EXHIBITS

Steve Smith (Landman)

20- min.

8 exhibits

PROCEDURAL MATTERS

None at this time.

KELLAHIN & KELLAHIN



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