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July 20, 1998

**HAND DELIVERED**

OIL CONSERVATION DIV.  
98 JUL 20 PM 3:07

Ms. Lori Wrotenbery, Chairman  
Oil Conservation Commission  
2040 South Pacheco  
Santa Fe, New Mexico 87505

Re: **MOTION TO DISMISS**  
**ORDER R-10878 Case 11809 (Marcotte Well No. 2)**  
**Application of Burlington Resources Oil & Gas Company**  
**for compulsory pooling, Rio Arriba County, New Mexico**

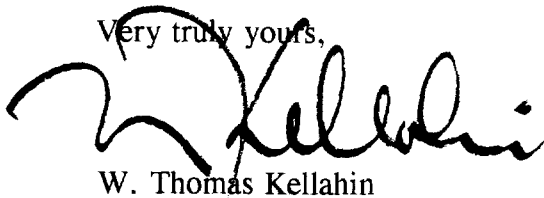
Dear Ms. Wrotenbery:

This compulsory pooling case was pending a DeNovo Hearing before the Commission on July 16, 1998. I wish to inform you that Burlington Resources Oil & Gas Company has not been unable to establish production from this well in the formations below the Dakota formation.

Accordingly, there is no need to proceed with a DeNovo hearing and I have enclosed a stipulated dismissal approved by Mr. Scott Hall, attorney for Total Minatome, and by Mr. Gene Gallegos, attorney for Mr. and Mrs. Moore.

We request that the Commission dismiss these Denovo appeals.

Very truly yours,



W. Thomas Kellahin

cc: Lyn Hebert, Esq.  
Scott Hall, Esq.  
Gene Gallegos, Esq.  
John Bemis, Esq.

**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. 11809  
ORDER R-10878**

**IN THE MATTER OF THE APPLICATION  
OF BURLINGTON RESOURCES OIL & GAS  
COMPANY FOR COMPULSORY POOLING,  
AN UNORTHODOX GAS WELL LOCATION AND  
NON-STANDARD GAS PRORATION AND  
SPACING UNIT FOR ITS MARCOTTE WELL NO. 2  
(SECTION 8, T31N, R10W)  
SAN JUAN COUNTY, NEW MEXICO**

**OIL CONSERVATION DIV.  
98 JUL 20 PM 3:25**

**STIPULATED DISMISSAL  
OF  
DENOVO APPLICATIONS**

Burlington Resources Oil & Gas Company ("Burlington"), Total Minatome Corporation ("Total") and Lee Wayne Moore and JoAnn Montgomery Moore, Trustees ("Moore"), being all of the parties of record in this matter now pending a De Novo hearing before the New Mexico Oil Conservation Commission ("Commission"), move the Commission to dismiss these DeNovo applications, stipulating as follows:

(1) On September 12, 1997, The Division entered Order R-10878 granting the application of Burlington for an order pooling uncommitted mineral interest owners who have failed to agree to voluntarily commit their interests from the base of the Dakota formation to the base of the Pre-Cambrian aged formation underlying all of Irregular

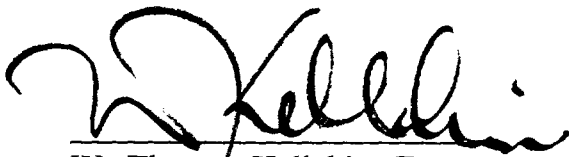
Section 8, Township 31 North, Range 10 West, NMPM, San Juan County, New Mexico, forming a non-standard 639.78-acre gas spacing and proration unit for the drilling of its Marcotte Well No. 2 (**API No. 30-015-29660**) which was approved at an unorthodox gas well location 1540 feet from the South line and 935 feet from the East line (Unit I) of said Section 8.

(2) Total and Moore appealed this Division order to the Commission requesting a DeNovo hearing of this matter.

(3) In the meantime Burlington drilled the Marcotte Well No. 2 and was unable to complete this well for production within the vertical interval subject to Order R-10878.

(4) The parties stipulate that the dismissal of the denovo appeals of Order R-10878 does not preclude any party to the GLA-46 Agreements from litigating this contractual dispute in district court.

Wherefore, the parties of record jointly move that the Commission dismiss the denovo applications of Moore and Total.



W. Thomas Kellahin, Esq.

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P. O. Box 2265

Santa Fe, New Mexico 87504

Attorneys for Burlington Resources Oil & Gas Company

telephonically approved 7/14/98

J. Scott Hall, Esq.  
Miller, Stratvert & Torgerson, P.A.  
P. O. Box 1986  
Santa Fe, New Mexico 87504  
Attorneys for Total Minatome Corporation

telephonically approved 7/20/98

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Santa Fe, New Mexico 87505  
Attorneys for Lee Wayne Moore and JoAnn  
Montgomery Moore, Trustees