

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:)
APPLICATION OF BURLINGTON RESOURCES OIL)
AND GAS COMPANY FOR AN UNORTHODOX COAL)
GAS WELL LOCATION, SAN JUAN COUNTY,)
NEW MEXICO)

CASE NO. 12,553

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

December 21st, 2000

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, MICHAEL E. STOGNER, Hearing Examiner, on Thursday, December 21st, 2000, at the New Mexico Energy, Minerals and Natural Resources Department, Porter Hall, 2040 South Pacheco, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

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I N D E X

December 21st, 2000
 Examiner Hearing
 CASE NO. 12,553

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E X H I B I T

Applicant's	Identified	Admitted
Exhibit A	4	4

* * *

A P P E A R A N C E S

FOR THE DIVISION:

LYN S. HEBERT
 Attorney at Law
 Legal Counsel to the Division
 2040 South Pacheco
 Santa Fe, New Mexico 87505

FOR THE APPLICANT:

KELLAHIN & KELLAHIN
 117 N. Guadalupe
 P.O. Box 2265
 Santa Fe, New Mexico 87504-2265
 By: W. THOMAS KELLAHIN

FOR YATES PETROLEUM CORPORATION:

CAMPBELL, CARR, BERGE and SHERIDAN, P.A.
 Suite 1 - 110 N. Guadalupe
 P.O. Box 2208
 Santa Fe, New Mexico 87504-2208
 By: MICHAEL H. FELDEWERT

* * *

1 WHEREUPON, the following proceedings were had at
2 8:19 a.m.:

3 EXAMINER STOGNER: Call next case, Number 12,553,
4 which is the Application of Burlington Resources Oil and
5 Gas Company for an unorthodox coal gas well location in San
6 Juan County, New Mexico.

7 Call for appearances.

8 MR. KELLAHIN: Mr. Examiner, I'm Tom Kellahin of
9 the Santa Fe law firm of Kellahin and Kellahin, appearing
10 on behalf of the Applicant.

11 EXAMINER STOGNER: Any other appearances?

12 MR. FELDEWERT: Mr. Examiner, Michael Feldewert
13 with the law firm of Campbell, Carr, Berge and Sheridan,
14 appearing on behalf of Yates Petroleum Corporation.

15 EXAMINER STOGNER: Any other appearances?

16 Is there any witnesses of either party?

17 MR. KELLAHIN: No, sir, this was heard by Mr.
18 Catanach at the hearing two weeks ago.

19 EXAMINER STOGNER: Okay, and Mr. Kellahin, do you
20 have anything to present further in this matter?

21 MR. KELLAHIN: Yes, Mr. Examiner. We presented
22 this case and the evidence to Examiner Catanach at the
23 prior hearing. One of the remaining matters unattended to
24 at that time was what position Yates Petroleum Corporation
25 would take as to the off-pattern coal well application.

CERTIFICATE OF REPORTER

STATE OF NEW MEXICO)
) ss.
 COUNTY OF SANTA FE)

I, Steven T. Brenner, Certified Court Reporter and Notary Public, HEREBY CERTIFY that the foregoing transcript of proceedings before the Oil Conservation Division was reported by me; that I transcribed my notes; and that the foregoing is a true and accurate record of the proceedings.

I FURTHER CERTIFY that I am not a relative or employee of any of the parties or attorneys involved in this matter and that I have no personal interest in the final disposition of this matter.

WITNESS MY HAND AND SEAL December 21st, 2000.



STEVEN T. BRENNER
 CCR No. 7

My commission expires: October 14, 2002

BURLINGTON RESOURCES

SAN JUAN DIVISION

FAX: (505) 748-4572

December 11, 2000

Yates Petroleum Corporation
Attn: Chuck Moran, Landman
105 South Fourth Street
Artesia, NM 88210
(505) 748-4349

EXPIRE DATE	STOCKED
RECORDATION NUMBER	
Burlington	EXHIBIT NO. A
	12553

Re: Farmington A #100
Proposed Fruitland Coal New Drill
S/2 Sec. 1, T29N, R13W
San Juan County, New Mexico

Dear Mr. Moran:

Burlington resources is applying for NMOCID approval of an off pattern gas well location for the Basin Fruitland Coal. The hearing is scheduled for December 7, 2000.

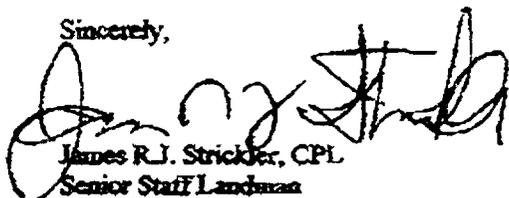
The Farmington A #100 was staked at the referenced location at the request of the City of Farmington because the SW/4 of Sec. 1 is being developed for Home Depo and other retail businesses.

Production from the Fruitland Coal pool is to be included in a 320.00 acre gas spacing and proration unit for the south half (S/2) of Section 1.

Burlington Resources is notifying you as an offsetting operator. We are requesting that you sign one faxed copy of the waiver below and return it to the attention of James Strickler via fax (505) 599-4062.

If you have any immediate questions regarding this matter, please contact the undersigned at (505) 326-9756.

Sincerely,



James R.J. Strickler, CPL
Senior Staff Landman

WAIVER - Yates Petroleum Corporation (Yates) hereby, subject to the terms of that letter agreement between Yates and Burlington Resources Oil & Gas Company (BR) dated December 18, 2000, waives objection to BR's application for an off pattern location for their Farmington A #100 as proposed above.

By: B. Scott Adams

Dated: December 19, 2000