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RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

February 27, 2001

HAND DELIVERED

Ms. Lori Wrotenbery, Director
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87504

Re: Cooper G Well No. 1
Application of Lewis B. Burleson, Inc.
to rescind Order R-676, for plugging order
and for approval of a 160-acre non-standard
gas proration and spacing unit,
Lea County, New Mexico.

Case 12617

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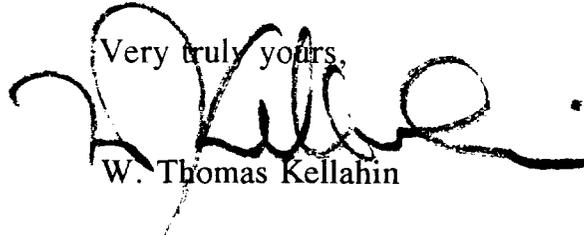
OIL CONSERVATION DIV

Dear Ms. Wrotenbery:

On behalf of Lewis B. Burleson, Inc., please find enclosed our referenced application which we request be set for hearing on the next available Examiner's docket now scheduled for March 22, 2001.

Our proposed advertisement to be used for the OCD docket and for the newspaper publication is attached.

Very truly yours,



W. Thomas Kellahin

cc: Lewis B. Burleson, Inc.
Attn: Steve Burleson

Proposed notification/advertisement for OCD docket

Case 12617 :

Application of Lewis B. Burleson, Inc. to rescind Order R-676, for plugging order and for approval of a 160-acre non-standard gas proration and spacing unit, Lea County, New Mexico. Applicant seeks an order rescinding Order R-676; requiring David H. Arrington Oil & Gas, Inc. to properly plug its Cooper G Well No. 1 (Unit K) Section 11, T24S, R36E; and to dedicate the Lewis B. Burleson, Inc.'s Cooper G. Well No. 1 (Unit N) to a 160-acre non-standard gas proration and spacing unit consisting of the SW/4 of Section 11, T24S, R36E, Jalmat Gas Pool, Lea County, New Mexico

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

IN THE MATTER OF THE APPLICATION OF
LEWIS B. BURLESON, INC. TO RESCIND
ORDER R-676, FOR A PLUGGING ORDER
AND FOR APPROVAL OF A 160-ACRE NON-
STANDARD GAS PRORATION AND SPACING UNIT,
LEA COUNTY, NEW MEXICO

CASE: 12617

APPLICATION

Comes now LEWIS B. BURLESON INC., by and through its attorneys, KELLAHIN and KELLAHIN, and applies to the New Mexico Oil Conservation Division for an order rescinding Order R-676; requiring David H. Arrington Oil & Gas, Inc. to properly plug its Cooper G Well No. 1 (Unit K) Section 11, T24S, R36E; and to dedicate the Lewis B. Burleson, Inc.'s Cooper G. Well No. 1 (Unit N) to a 160-acre non-standard gas proration and spacing unit consisting of the SW/4 of Section 11, T24S, R36E, Jalmat Gas Pool, Lea County, New Mexico;

In support thereof, Applicant states:

1. Applicant, Lewis B. Burleson Inc. ("Burleson"), is the operator of the Cooper G Well No. 1 ("the Burleson Well") located in Unit N of Section 11, T24S, R36E, Lea County, New Mexico.
2. On August 17, 1955 the New Mexico Oil Conservation Commission issued Order R-676 which approved a 320-acre non-standard gas proration and spacing unit consisting of the W/2 of Section 11, T24S, R36E to be dedicated to the R. Olson Oil Company Cooper "G" Well No. 1 located 1320 feet from the South line and 1320 feet from the West line of Section 11 for production from the Jalmat Gas Pool ("the Olson/Arrington Well");
3. In July, 1996, the Olson/Arrington Well ceased producing from the Jalmat Gas Pool and is now listed as "temporarily abandoned".
4. On October 1, 1996, Arrington assumed operations of the Olson Oil Company Cooper "G" Well No. 1 ("the Olson/Arrington Well")

5. On October 31, 1997, the oil and gas leases covering the Jalmat Gas Pool for the Olson/Arrington Well expired.

6. On June 1, 2000, Burleson obtained new oil and gas leases for the Jalmat Gas Pool interval covering the SW/4 of Section 11.

7. On February 17, 2001, the Division approved Burleson's application to drill the Burleson Well as a Langlie-Mattix well. Because the Burleson well was unable to produce from the Langlie-Mattix Pool, on February 22, 2001, Burleson filed an application to plug the well back to the Jalmat Gas Pool.

8. Burleson proposes to dedicate the Burleson Well to a 160-acre non-standard gas proration and spacing unit ("GPU") consisting of the SW/4 of Section 11.

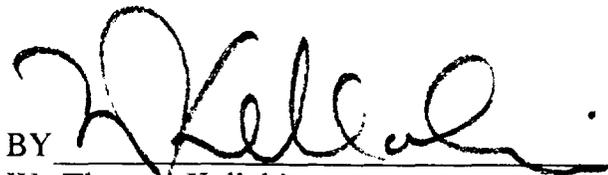
9. In order to dedicate the Burleson Well to this proposed 160-acre GPU, it is necessary to: (a) rescind Division Order R-676; and (b) require David H. Arrington Oil & Gas Inc. ("Arrington") to properly plug its Cooper G. Well No. 1 ("the Olson/Arrington Well") located in Unit K of Section 11, T24S, R36E.

10. Approval of the application will afford the applicant the opportunity to produce its just and equitable share of the hydrocarbons in the Jalmat Gas Pool and will otherwise prevent waste and protect correlative rights.

11. In accordance with Division Rule 1207, Applicant has notified all affected parties as set forth on Exhibit A attached.

WHEREFORE, Applicant requests that, after notice and hearing, this Application be approved as requested.

KELLAHIN and KELLAHIN

BY 

W. Thomas Kellahin

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ATTORNEYS FOR APPLICANT

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