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

2012 NOV 20 P 1:41

**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
SAN JUAN COUNTY, NEW MEXICO**

CASE NO. 14926

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
3535 West 32nd Street
Farmington, NM 87501
Attn: Terry B. Simcoe
Phone 505-326-9878

ATTORNEY

W. Thomas Kellahin
706 Gonzales Road
Santa Fe, New Mexico 87501
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Fx 505-982-2047
tkellahin@comcast.net

OTHER PARTIES

None has filed appearances.

ATTORNEY

STATEMENT OF THE CASE

APPLICANT:

This will be presented by affidavit:

Burlington Resources Oil & Gas Company LP. ("Burlington") seeks an order pooling all mineral interests from the top of the Mesaverde formation to the base of the Dakota formation underlying the N/2 of Section 7, T29N, R10W, NMPM, San Juan County, New Mexico, forming a standard 308.28-acre gas spacing and proration unit for the Mesaverde, Mancos and Dakota formations spaced on 320-acre spacing.

These units are to be dedicated to its (a) Houck Com 2 well to be drilled and completed at a standard surface well location 1570 feet FNL and 1114 feet FWL and a standard bottom hole location 1970 feet FNL and 1115 feet FWL of Sec 7 as downhole commingled wellbore for production from the Dakota, Mancos and Mesaverde formations and its (b) Houck Com 2N well to be drilled and completed at a standard surface well location 1518 feet FNL and 1115 feet FWL and a standard bottom hole location 710 feet FNL and 710 feet FWL of Sec 7 as downhole commingled wellbore for production from the Dakota, Mancos and Mesaverde formations.

Burlington will **withdraw** its request for a provision authorizing the applicant to hold any proceeds, rather than establish an escrow account, and to then escheat those funds directly to the Tax & Rev, as the Administrator under the New Mexico Unclaimed Property Act.

Also to be considered will be the costs of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and, pursuant to Commission Order R-11992, a charge 200% charge for the risk involved in this well.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EST. EXHIBITS

By Affidavit of
Terry B. Simcoe, petroleum landman

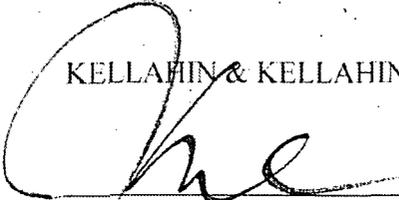
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PROCEDURAL MATTERS

None

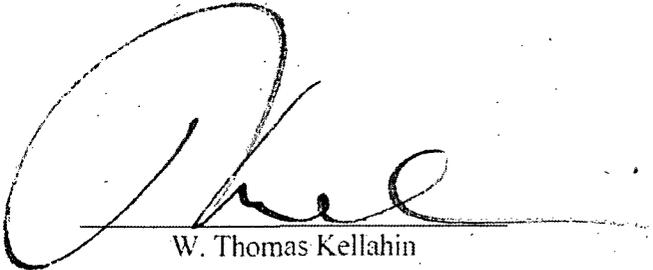
KELLAHIN & KELLAHIN


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CERTIFICATION OF SERVICE

I hereby certify that a copy of this pleading was served upon the following counsel of record this 21th day of November 2012, by email

David K. Brooks, Esq.
Oil Conservation Division
1220 South St. Francis Drive
david.brooks@state.nm.us


W. Thomas Kellahin