

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                      CASE NO. 11809  
OIL & GAS COMPANY FOR COMPULSORY POOLING,  
AN UNORTHODOX GAS WELL LOCATION AND A  
NON-STANDARD GAS PRORATION AND  
SPACING UNIT, (Marcotte Well 2)  
SAN JUAN COUNTY, NEW MEXICO.

**PRE-HEARING STATEMENT**

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

**APPEARANCE OF PARTIES**

**APPLICANT**

Burlington Resources Oil & Gas Company  
P. O. Box 4289  
Farmington, NM 87499  
(505) 326-9757  
attn: Alan Alexander

**ATTORNEY**

W. Thomas Kellahin  
KELLAHIN & KELLAHIN  
P.O. Box 2265  
Santa Fe, NM 87504  
(505) 982-4285

## STATEMENT OF CASE

Pursuant to Section 70-2-17(c) NMSA (1978) and in order to obtain its just and equitable share of potential production underlying Section 8, T31N, R10W, Burlington Resources Oil & Gas Company ("Burlington") requests an order of the Division pooling the identified and described mineral interests involved in order to protect correlative rights and prevent waste.

Burlington requests an order pooling the mineral interest of described in this 639.78 acre gas spacing unit for the drilling of its Marcotte Well No. 2 at an unorthodox gas well location (Unit I) for potential production from the below the base of the Dakota formation upon terms and conditions which include:

- (1) Burlington be named operator;
- (2) The order make provisions for all uncommitted interest owners to participate in the costs of drilling, completing, equipping and operating the well;
- (3) In the event an uncommitted working interest owner fails to elect to participate he becomes a "compulsory pooled party" and then provisions should be made to recover out of production, the costs of the drilling, completing, equipping and operating the well, including a risk factor penalty of 200 %;
- (4) A provision for overhead rates and a method for adjusting those rates in accordance with COPAS accounting procedures;
- (5) For such other and further relief as may be proper.

**PROPOSED EVIDENCE**

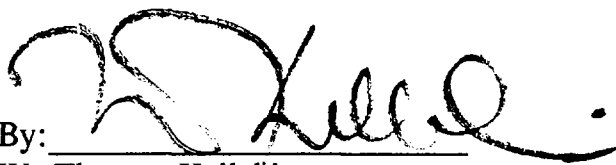
**APPLICANT:**

WITNESSES	EST. TIME	EXHIBITS
James Strickler (landman)	60 Min.	@ 16 exhibits
Mike Dawson (geologist)	30 Min.	@ 4 exhibits
Kurt Shipley (engineer)	30 Min.	@ 4 exhibits

**PROCEDURAL MATTERS**

None anticipated at this time.

KELLAHIN AND KELLAHIN

By:   
W. Thomas Kellahin  
P.O. Box 2265  
Santa Fe, New Mexico 87504  
(505) 982-4285

BEFORE THE  
OIL CONSERVATION DIVISION



NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS


IN THE MATTER OF THE APPLICATION OF  
BURLINGTON RESOURCES OIL & GAS COMPANY  
FOR COMPULSORY POOLING, AN UNORTHODOX  
GAS WELL LOCATION AND A NON-STANDARD  
PRORATION UNIT, SAN JUAN COUNTY, NEW MEXICO

CASE NO. 11809

ENTRY OF APPEARANCE

Total-Minatome Corporation by and through its undersigned attorneys, Miller, Stratvert  
& Torgerson., P.A. hereby enters its appearance in the above matter.

MILLER, STRATVERT & TORGERSON, P.A.

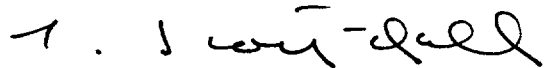
By 

J. Scott Hall  
Attorneys for Total-Minatome Corporation  
Post Office Box 1986  
Santa Fe, New Mexico 87504-1986  
(505) 989-9614

**Certificate of Mailing**

I hereby certify that a true and correct copy of the foregoing was mailed to counsel of record on the 1 day of ~~June~~<sup>July</sup>, 1997, as follows:

W. Thomas Kellahin, Esq.  
Kellahin & Kellahin  
P.O. Box 2265  
Santa Fe, New Mexico 87504-2265  
Attorneys for Burlington Resources Oil & Gas Company



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J. Scott Hall