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 APPROVAL OF A PILOT PROJECT INCLUDING AN EXCEPTION FROM RULE 2(b) OF THE SPECIAL RULES AND REGULATIONS FOR THE BLANCO-MESAVERDE GAS POOL FOR PURPOSES OF ESTABLISHING A PILOT INFILL DRILLING PROGRAM WITHIN ITS SAN JUAN 27-5 UNIT WHEREBY UP TO FOUR WELLS MAY BE DRILLED ON A STANDARD GAS PRORATION UNIT TO DETERMINE PROPER WELL DENSITY AND WELL LOCATION REQUIREMENTS FOR MESAVERDE WELLS, RIO ARRIBA COUNTY, NEW MEXICO

APPLICATION OF BURLINGTON RESOURCES OIL AND GAS COMPANY FOR APPROVAL OF A PILOT PROJECT INCLUDING AN EXCEPTION FROM RULE 2(b) OF THE SPECIAL RULES AND REGULATIONS FOR THE BLANCO-MESAVERDE GAS POOL TO INSTITUTE A PILOT INFILL DRILLING PROGRAM WITHIN A FOUR-SECTION AREA INCLUDING SIX UNORTHODOX GAS WELL LOCATIONS FOR PURPOSES OF ESTABLISHING A PROGRAM TO DETERMINE PROPER WELL DENSITY AND WELL LOCATION REQUIREMENTS FOR MESAVERDE WELLS, SAN JUAN COUNTY, NEW MEXICO

and 11,880

CASE NOS. 11,879

(Consolidated)

OFFICIAL EXHIBIT FILE EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

November 6th, 1997 Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID R. CATANACH, Hearing Examiner, on Thursday, November 6th, 1997, 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.

* * *