FINAL DOCKET: SPECIAL COMMISSION HEARING - TUESDAY - JUNE 3 - 6, 2003

9:00 A.M. – Porter Hall 1220 So. St. Francis Drive Santa Fe, New Mexico

Land Commissioner, Patrick Lyons, may designate Jami Bailey as his representative for this hearing, or may participate himself.

<u>Notice</u>: During this meeting, the Commission may conduct a closed executive session during which it will deliberate in connection with an administrative adjudicatory proceeding pending before the Commission or consult with Commission counsel under the attorney-client privilege concerning threatened or pending litigation in which the Commission is or may become a participant.

CASE 12888: De Novo

Application of the Fruitland Coalbed Methane Study Committee ("Committee") for pool abolishment and expansion and to amend Rules 4 and 7 of the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool for purposes of amending well density requirements for coalbed methane wells, Rio Arriba, San Juan, McKinley and Sandoval Counties, New Mexico. Applicant seeks to amend Rule 7 of the Special Rules and Regulations for the Basin Fruitland Coal Gas Pool to authorize under certain restrictions infill drilling of up to two wells within a standard 320-acre gas proration and spacing unit by increasing the well density from the current maximum of one (1) well provided in Order R-8768, as amended, to a maximum of two (2) wells (160-acre infill) per 320-acre gas proration and spacing unit for wells located in the pool. In the alternative, Applicant requests the adoption of these rule changes for wells located in the "Low Productivity Area" of the pool and for special administrative procedures for such infill wells in the "High Productivity Areas" of the pool, as identified in the application. Applicant also seeks the termination of the Cedar Hill Fruitland Basal Coal Gas Pool and the Concomitant Expansion of the Basin-Fruitland Coal Gas Pool. Upon application of BP America, Inc., San Juan Coal Company, and Burlington Resources Oil & Gas Company, LP, this case will be heard De Novo pursuant to the provisions of Rule 1220.