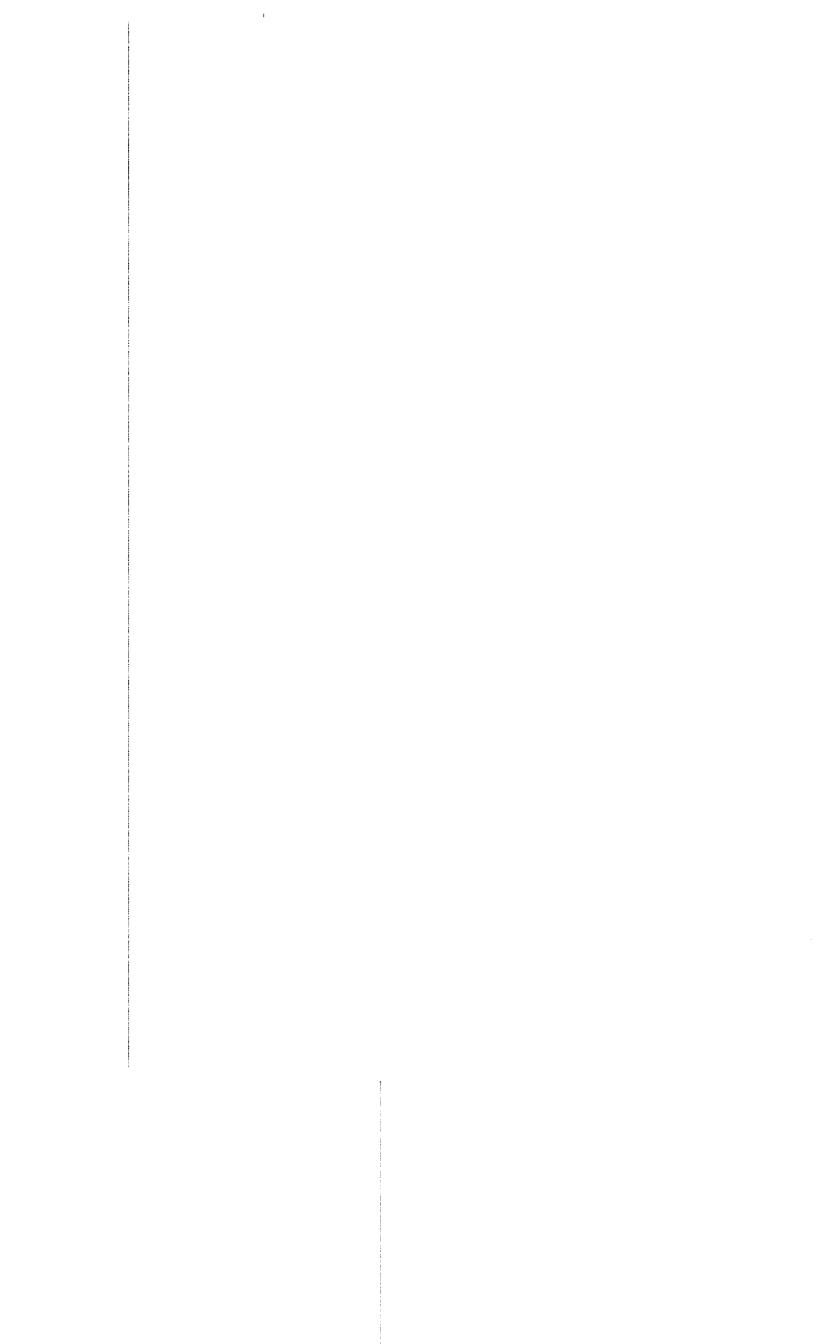
REOPENED CASE NO. 11089

March 20, 1997

EXBIBIT NO. _

Examiner Catanach



NMOCD Case No. 11089 (Reopened)

Call by the NMOCD to reopen Case 11089 pursuant to provisions of Order R-46-A to receive testimony to decide upon the continuance or rescindance of such rules.

Chronology of Events

(Present to Past Order)

1. Present: March 20, 1997 (Continued from February 20, and March 6th Hearing dates)

Case No. 11089 - Santa Fe, New Mexico to be heard before New Mexico Oil Conservation Commission Division Examiner David R. Catanach.

The Oil Conservation Division has called to reopen Case 11089 pursuant to the provisions of Division Order No. R. 46-A, which order promulgated temporary special pool rules and regulations for the Barker Dome-Akah/Upper Barker Creek, Barker Dome-Desert Creek and Barker Dome-Ismay Pools in San Juan County, New Mexico. The Commission calls for the Operator to appear and show cause why the rules should not be rescinded.

2. October 17, 1996 - Case No. 11089 - Santa Fe, New Mexico before New Mexico Oil Conservation Division Examiner David R. Catanach.

Testimony was given by Burlington Resources Oil & Gas Company before the Commission to reopen case 11089 and amend Order R-46-A to conform to BLM Order No. UMU-1, San Juan County, New Mexico. Applicant, in accordance with BLM Order No. UMU-1, sought to amend Division Order R-46-A to (a) to amend the pool names, (b) to utilize the same vertical limits, (c) to conform the horizontal boundaries of the pools, (d) to define the vertical limits as the stratigraphic equivalent interval, (e) to approve certain non-standard gas spacing and proration units, (f) to adopt an administrative procedure for unorthodox well locations, and (g) to allow for the drilling of certain optional infill wells for the Barker Dome-Akah/Upper Barker Creek, Barker Dome-Desert Creek, Barker Dome-Ismay, and Barker Dome-Paradox Pools all within a horizontal area containing all or parts of Sections 7 through 11, 14 through 23, 27 through 32, T32N, R14W, and Sections 12, 13, 24, 25, 36, T32N, R 15W NMPM in San Juan County, New Mexico.

- a. On November 6, 1996, effective as of that date, William J. LeMay, Director of the State of New Mexico Oil Conservation Division, issued Order No. R-46-B which is enclosed herein as Exhibit ____.
- b. No protests were received on this matter.
- 3. Utilizing the hearing processes provided by both the NMOCD and the BLM, the United States of America, Bureau of Land Management, San Juan Resources Area signed the UMU-1 Order on June 9, 1995, effective March 20, 1995, which consolidated and reestablished field rules to govern operations on the Ute Mountain Ute Reservation in the Ismay Formation, Desert Creek Formation, Akah/Upper Barker Creek Formation, and Lower Barker Creek/Alkali Gulch Formation in the Barker Dome Paradox Group in La Plata County, Colorado and San Juan County, New Mexico. Order UMU-1 is enclosed herein as Exhibit 5.

- a. Relying on the public notices given prior to each respective state hearing processes, no protests were received on this matter.
- b. On October 10, 1996, by written addendum, the BLM amended the nomenclature used in the UMU-1 Order by adding the name of the gas pool to each identified formation within the spacing order. This cooperative modification reflects and provides additional continuity within the nomenclature established by the NMOCD in Order No. R-46. A copy of the subject addendum is enclosed and follows the copy of the order UMU-1 herein.
- 4. February 17, 1995-Case No. 515-Denver, Colorado at an administrative hearing conducted before Patricia C. Beaver, Secretary and staff examiners of the Colorado Oil & Gas Conservation Commission.

Testimony was given by Meridian Oil Inc., (Burlington Resources Oil & Gas Company) before the COGC Commission for an order to establish 160-acre drilling and spacing units for the production of gas and associated hydrocarbons from the Ismay Formation, with the permitted well in each unit to be located no closer than 330 feet to the outer boundary of the unit; to establish 320-acre drilling and spacing units for production of gas and associated hydrocarbons from the Desert Creek Formation with the drilling and spacing units consisting of the E/2 and the W/2 or the N/2 and the S/2, with the permitted well to be located no closer than 790 feet to the outer boundary of the unit; to establish 320-acre drilling and spacing units for production of gas and associated hydrocarbons from the Upper Barker Creek/Akah Formation with the drilling and spacing units consisting of the E/2 and the W/2 or the N/2 and the S/2, with the permitted well to be located no closer than 790 feet to the outer boundary of the unit; to establish 640-acre drilling and spacing units for production of gas and associated hydrocarbons from the Lower Barker Creek Formation with the permitted well to be located no closer than 790 feet to the outer boundary of the unit.

- a. On July 10, 1995, effective March 20, 1995, the COGCC issued Order No. 515-1 which is enclosed herein as Exhibit 4.
- b. No protests were received on this matter.
- 5. November 10, 1994-Case No. 11089-Santa Fe, New Mexico before New Mexico Oil Conservation Division Examiner David R. Catanach.

Testimony was given by Meridian Oil Inc. (now known as Burlington Resources Oil & Gas Company) before the Commission to contract the vertical limits of the Barker Creek-Paradox (Pennsylvanian) Pool, the amendment of Division Order No. R-46, and the Concomitant Creation of Three Gas Pools each with Special Rules and Regulations.

- a. On February 13, 1995, effective as of the date, William J. Lemay, Director of the State of New Mexico Oil Conservation Division, issued Order No. R-46-A which is enclosed herein as Exhibit 3.
- b. No protests were received on this matter.

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COMMENTS WELLBORE STATUS CURRENT DEDICATION LOCATION CURRENT PRODUCTION ZONE WELL NAME WO B.

			Salt Water Disposal Well				Horizontal Recompletion			Commingled production						Commingled production.	Commingled production.	Wellbore completed for commingled production, Pending approval for commingled production and connection to sales line.
T/A	Flowing	T/A	Injecting	Flowing	Flowing	Flowing	Flowing	9 8 8	Р 8 А	Flowing	Flowing	Flowing	Flowing	P&A	Flowing	Flowing	Flowing	Flowing
All of S. 21, T32N,R14W	All of S. 16, T32N, R14W	All of S. 29, T32N, R14W	N/A	All of S. 21, T32N, R14W	All of S. 10, T32N, R14W	All of S. 17, T32N, R14W	All of S. 15 & 16, T32N, R14W	N/A	N/A	All of S. 8 & N/2 S. 17, 32-14	N/2 of S. 19, T32N, R14 W	W/2 of S. 20,T32N,R14W	S/2 of S. 19, T32n <r14w< td=""><td>N/A.</td><td>S/2 of S. 16, T23n, R14W</td><td>E/2 of S. 20, T32N, R14W</td><td>E/2 of S. 30, T32N, R14W</td><td>W/2 of Sec. 30, 132N, r14W</td></r14w<>	N/A.	S/2 of S. 16, T23n, R14W	E/2 of S. 20, T32N, R14W	E/2 of S. 30, T32N, R14W	W/2 of Sec. 30, 132N, r14W
2310' FNL & 2310' FWL	2708' FNL & 1608' FWL	660' FNL & 1980' FEL	SW/4SW/4 Sec. 11,32N,14W	275' FNL & 1364' FEL	540' FSL & 1980' FWL	1100' FSL & 1000' FWL	SHL: 1750' FSL, 940' FWL	1650' FSL & 1650' FWL	1620' FSL & 990' FEL	2000' FNL, 1925' FEL	1820' FNL, 1580' FEL	1935' FNL & 1630' FWL	475' FSL & 1415' FWL	1270' FNL, 655' FEL	2125' FSL & 1270' FWL	1665'FSL & 1790' FEL	1730' FNL, 1930' FEL	790' FSL, 1740' FWL
L. Barker Creek	L. Barker Creek	L. Barker Creek	SWD	L. Barker Creek	Ismay	Desert Creek	Ismay	Dry hole	Dry hole	Ismay/Desert Creek/Upper Barker Ck.	Desert Creek	Desert Creek	Desert Creek	Dry Hole	Desert Creek	Hermosa/ Ismay/Desert Creek/Upper Barker Ck.	Desert Creek	Hermosa /Desert Greek/Upper Barker Ck.
UTE#11	UTE # 12	UTE#13	UTE# 1	UTE # 14	UTE# 4	UTE# 6	UTE# 8	UTE# 7	UTE#17	UTE # 22	UTE COM#23	UTE# 24	UTE COM#25	UTE COM # 26	UTE # 27	UTE MTN UTE # 40	UTE MTN UTE # 41	UTE MTN UTE#42
3943	3944	3945	3947	3942	3948	3949	3950B	33314A	33245A	60898A	7157808AF	J 389494	57805A	57806a	57811A	57807A	60450A	60451A

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