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:

CASE NO. 12617 ORDER NO. R-11609

APPLICATION OF LEWIS B. BURLESON, INC. TO RESCIND DIVISION ORDER NO. R-676, FOR A PLUGGING ORDER, AND FOR APPROVAL OF A 160-ACRE NON-STANDARD GAS PRORATION UNIT, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on March 22, 2001 at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this <u>3rd</u> day of July, 2001, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given, and the Division has jurisdiction of this case and its subject matter.

(2) By Division Order No. R-676, issued in Case No. 921 on August 17, 1955, a 320-acre non-standard gas spacing and proration unit comprising the W/2 of Section 11, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico, within the Jalmat Gas Pool, was established and had dedicated to it R. Olsen Oil Company's Cooper "G" Well No. 1 (API No. 30-025-09542), located in the center of the SW/4 of Section 11 (see Order No. 832, issued by the New Mexico Oil Conservation Commission on July 11, 1949), 1320 feet from the South and West lines (Unit K) of Section 11. Division records indicate that this well is open-hole completed throughout the Jalmat interval from 2,997 feet to 3,207 feet and produced from the Jalmat Gas Pool from 1949 to 1996 when it was shut-in by Meridian Oil Company.

(3) David H. Arrington ("Arrington") obtained ownership of the Cooper "G" Well No. 1 located 1320 feet from the South and West lines of Section 11 (hereinafter referred to as the "Arrington Cooper "G" Well No. 1") in September, 1996 (see NMOCD Form C-104 dated September 25, 1996).