

(4) The applicant in this case, Lewis B. Burleson, Inc. ("Burleson"), seeks to establish a non-standard 160-acre gas spacing and proration unit comprising the SW/4 of Section 11 within the Jalmat Gas Pool. This unit is to be dedicated to Burleson's existing Cooper "G" Well No. 1 (API No. 30-025-35344), located at a standard gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 11 (hereinafter referred to as the "Burleson Cooper "G" Well No. 1").

(5) The existing Burleson Cooper "G" Well No. 1 in Unit "N" of Section 11 is currently completed in the Langlie-Mattix Pool, and by recompleting this well into the Jalmat Gas Pool, the applicant expects to recover additional reserves left by the older well in the center of the SW/4 of Section 11.

(6) The applicant further seeks to rescind Division Order No. R-676 and to obtain from the Division an order requiring Arrington to properly plug off the Jalmat interval within the Arrington Cooper "G" Well No. 1.

(7) The rules and procedures currently governing the Jalmat Gas Pool include but are not necessarily limited to:

(i) the "*Special Rules and Regulations for the Jalmat Gas Pool*," as promulgated by Division Order No. R-8170, as amended;

(ii) Division Rule 605.B;

(iii) Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999;

(iv) Rule 1207.A (2); and

(v) the Stipulated Declaratory Judgement of the First Judicial District Court in Santa Fe County, New Mexico issued on December 15, 2000 in Hartman vs. Oil Conservation Division, Cause No. D-0101-CV-9902927 ("Stipulated Declaratory Judgement").

(8) Burleson currently owns 100 percent of the mineral interests underlying the SW/4 of Section 11 and therefore has the right to develop this acreage.