# BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

IN THE MATTER OF THE APPLICATION OF	)
BURLINGTON RESOURCES OIL	)
& GAS COMPANY LP	)
PICTURED CLIFFS-MESAVERDE	)
FORMATION	) CAUSE NO. 112
IGNACIO-BLANCO FIELD,	)
LA PLATA COUNTY, COLORADO	) DOCKET NO.

#### **VERIFIED APPLICATION**

COMES NOW, the Applicant, Burlington Resources Oil & Gas Company LP, by and through its attorneys, Poulson, Odell & Peterson, LLC, and respectfully petitions the Oil and Gas Conservation Commission of the State of Colorado for an order pooling certain interests for the production of gas from the Pictured Cliffs-Mesaverde formation in the Ignacio-Blanco Field in La Plata County, Colorado. as follows:

#### **APPLICATION LANDS**

Ι.

Applicant is the owner of oil and gas in existing drilling units established for the Fruitland-Pictured Cliff and Mesaverde formation in the following described 320-acre drilling and spacing unit established pursuant to the orders of the Colorado Oil and Gas Conservation Commission:

Township 32 North, Range 111 West, N.M.P.M. Section 4: W/2

These lands are referred to as the Application Lands.

Applicant proposes to drill its Ute 44 Well Pictured-Cliff/Mesaverde Well to the Pictured-Cliff and Mesaverde formations underlying the aforesaid 320-acre drilling and spacing unit.

#### **EXISTING ORDERS**

II.

By Cause No. 112, Order No. 112-6 dated November 9, 1959, the Colorado Oil and Gas Conservation Commission established 320-acre drilling and spacing units for production of gas from the Mesaverde and Fruitland-Pictured Cliffs formation underlying the Ignacio-Blanco Field. The order required any well so drilled to be on a designated drilling unit of not less than 320 acres in which unit all of the interest of owners are consolidated by a pooling agreement or otherwise. The order requires such drilling units to be of the shape of a rectangle consisting of the N/2, S/2, E/2, or W/2 of each full section. The order requires the well to be drilled from the NE/4 or the SW/4 of each section when the location falls South of the North line of Township 32 North, and no closer than 990 feet to the boundaries of the guarter section upon which it is located.

In Cause No. 112-46 dated July 16, 1979, the Colorado Oil and Gas Conservation Commission amended Order No. 112-6. Order No. 112-46 permits a second well, in addition to the permitted well provided for by Order No. 112-6, to be drilled on each 320-acre drilling and spacing unit for the production of gas from the Fruitland-Pictured Cliffs and Mesaverde formations. Order No. 112-46 provides that the additional well shall be located in the under\_\_\_\_\_ quarter section of the 320-acre

drilling and spacing unit, and shall be no closer than 990 feet to the boundaries of the quarter section upon which it is located.

Applicant has attempted to obtain the consent to and participation in said well from SG Interests, Inc., the owner of an interest in leases in the Application Lands. Applicant requested such consent to and participation in such well by providing the location and objective depth of the well; an authority for expenditure identifying the estimated cost of drilling and completing the well; the estimated spud date for the well or a range of time within such spudding is to occur; an authority for expenditure prepared by Applicant containing the information described above; and a proposed model form operating agreement prepared for operation of the well as to the Pictured Cliffs and Mesaverde formations. SG Interests, Inc. has failed to consent to participate in said well.

III.

Pursuant to C.R.S. §30-60-116, as amended, Applicant requests that the Colorado Oil and Gas Conservation Commission, after notice and hearing, enter an order pooling the interest of SG Interests, Inc. in the W/2 of Section 4, Township 32 North, Range 111 West, N.M.P.M. for the development and operation of the Pictured Cliffs and Mesaverde formations underlying said unit. Applicant requests that such pooling order be upon terms and conditions that are just and reasonable and that afford to the owner of each interest in the unit the opportunity to recover or receive without unnecessary expense his just in equitable share of the gas. Applicant further requests, pursuant to §34-60-116(7)(a),(b) of the Colorado Revised Statutes, as amended, that the Applicant be able to recover from the non-consenting owner's share of production to penalty costs as provided in the statute.

#### **GENERAL PROVISIONS**

IV.

All "owners" underlying said drilling and spacing unit that are being force pooled as the same are defined by the rules of this Commission are more particularly set forth in Exhibit A attached hereto.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing by the Commission; that notice hereof be given as required by law; and that upon hearing this Commission issue its order granting this Application as requested. Applicant further requests that the Commission in its order grant such other provisions as the Commission may find to be necessary or desirable in the cause.

DATED this 21st day of November, 2005

Respectfully submitted,

BURLINGTON RESOURCES OIL & GAS COMPANY LP

Applicant's Address:

Burlington Resources Oil & Gas Company LP 3401 East 30th Street Farmington, New Mexico 87402-8807

# **VERIFICATION**

STATE OF NEW MEXICO	)
COUNTY OF	) SS. )
Company LP, upon oath, depo Application before the Oil and G	of Burlington Resources Oil & Gasoses and says that he has read the foregoing Verified Gas Conservation Commission of the State of Colorado, tained therein are true to the best of his knowledge and
Subscribed to and sworr Company, LP.	n to before me this day of November, 2005 by of Burlington Resources Oil & Gas
My Commission expires:	
	N. C. D. L.E.
	Notary Public  Address

## **EXHIBIT A**

Attached to and made a part of the Verified Application of Burlington Resources Oil & Gas Company LP in Cause No. 112, Docket No. \_\_\_\_

Red Willow Production Co. 14933 Highway 172 Ignacio, Colorado 81137

SG Interests, Inc. Two Houston Center 909 Fannin Suite 2600 Houston, Texas 77010

### **Certificate of Mailing**

I hereby certify that on this 29th day of November, 2005, the Verified Application of Burlington Resources Oil & Gas Company LP Company regarding request for an order pooling certain interests for the production of gas from the Pictured Cliffs-Mesaverde formation in the Ignacio-Blanco Field in La Plata County, Colorado was served by placing a true and correct copy of the same in the United States mail, first class postage pre-paid, to the following:

Red Willow Production Co. 14933 Highway 172 Ignacio, Colorado 81137

SG Interests, Inc. Two Houston Center 909 Fannin Suite 2600 Houston, Texas 77010

 Gwendolyn A. Poole	