

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF APACHE CORP.
RE-OPEN CASE NO. 16142 AND
MODIFY ORDER NO. R-14765 TO
ALLOW FOR DRILLING OF A
SUBSEQUENT WELL AND
COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 16142 (Re-opened)
ORDER NO. R-14765**

APACHE CORP.'S PRE-HEARING STATEMENT

Apache Corp. ("Apache") submits this Pre-Hearing Statement for the above-referenced case pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Apache Corp.

ATTORNEY

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STATEMENT OF CASE

Applicant seeks an order from the Division modifying Order No. R-14765 to allow for the drilling of a subsequent well in the unit in the Bone Spring formation, comprised of the N/2 S/2 of Section 26, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico; and, (2) pooling all mineral interests in the unit. The **Palmillo 26 State Com #213H well** is to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 12 miles northeast of Carlsbad, New Mexico.

PROPOSED EVIDENCE

APPLICANT:


<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Laci Stretcher – Landman	Approx. 20	Approx. 6
Mike Muncey– Geologist	Approx. 15	Approx. 4

PROCEDURAL ISSUES

If there are no objections prior to hearing, Apache will present this case by affidavit.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

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