



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

Cell: (505) 670-7362

Email: shall@montand.com

Reply To: Santa Fe Office

www.montand.com

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2011 APR 21 P 3:21

April 14, 2011

Ms. Florene Davidson
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Hand Delivered

Re: NMOCD Case No. 14629: Application of Blue Dolphin Production LLC for an Unorthodox Well Location and Non-Standard Oil Spacing and Proration Unit, Rio Arriba County, New Mexico

Dear Ms. Davidson:

On behalf of Blue Dolphin Production LLC, enclosed is an original and one copy of Blue Dolphin's Pre-Hearing Statement.

Very truly yours,

Karen Williams
Assistant to J. Scott Hall

:kw
Enclosure

cc: Blue Dolphin Production LLC
00274271

REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

6301 Indian School Road NE, Suite 400
Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

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

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2011 APR 21 P 3: 21

IN THE MATTER OF THE APPLICATION OF
BLUE DOLPHIN PRODUCTION, LLC FOR
COMPULSORY POOLING, RIO ARRIBA
COUNTY, NEW MEXICO

Case No. 14629

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Blue Dolphin Production LLC as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Blue Dolphin Production LLC
2922 Evergreen Parkway, Suite 309
Evergreen, CO 80439-7915

APPLICANT'S ATTORNEY

J. Scott Hall
Montgomery & Andrews
P.O. Box 2307
Santa Fe, New Mexico 87504-2307
(505) 986-2646

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order for the consolidation by compulsory pooling of all unjoined interests in all pools or formations developed on 40-acre spacing within the Mancos Shale formation underlying a previously approved non-standard oil well spacing and proration unit comprised of 21.0 ± acres located in the approximate E/2 SW/4 NE/4 of projected Section 27, Township 30 North, Range 1 East in Rio Arriba County, New Mexico. Included among these interests are an approximate 16.63125% unleased mineral interest acquired by the Jicarilla Apache Nation. The unit will be dedicated to the following well to be drilled to the Greenhorn member of the undesignated Mancos Shale formation,

Theis Greenhorn Test Well No. 1
1643' FNL and 1575' FEL (G)
Projected Section 27, T30N, R1E
Rio Arriba County, New Mexico

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Dick Dolecek, Geological Engineer	30 minutes	7

OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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PROCEDURAL MATTERS

None.

MONTGOMERY & ANDREWS, P.A.

By: J. Scott Hall

J. Scott Hall, Esq.
Post Office Box 2307
Santa Fe, New Mexico 87504
(505) 982-3873
Attorneys for Blue Dolphin Production LLC

00273006

Certificate of Service

I hereby certify that on April 21, 2011, a true and correct copy of the foregoing

was mailed to the following:

Jim Lovato
Farmington Field Office
Bureau of Land Management
1235 La Plata Highway, Suite A
Farmington, NM 87401

Dixon Sandoval
Jicarilla Apache Nation
Jicarilla Oil & Gas Administration
#6 Dulce Rock Road
Dulce, NM 87528



J. Scott Hall