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December 29, 2014

Mr. David Catanach, Director
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Hand Delivered

Re: NMOCD Case No. 15191: APPLICATION TO AMEND ORDER NO. R-12984 TO REMOVE CERTAIN ACREAGE FROM THE BASIN-MANCOS GAS POOL (97232); TO CREATE A MANCOS OIL POOL WITH SPECIAL POOL RULES; TO EXEMPT HORIZONTAL WELLS FROM PRE-EXISTING POOLS IN THE SUBJECT AREA AND RESTRICT THOSE POOLS TO CURRENT BOUNDARIES; TO ABOLISH OIL ALLOWABLES IN THE SUBJECT AREA; TO RETAIN FOR THE NEW OIL POOL THE AUTHORITY TO DOWNHOLE COMMINGLE PRODUCTION FROM THE MANCOS, MESAVERDE AND DAKOTA FORMATIONS PROVIDED BY ORDER NO. R-12984-B; AND TO AMEND THE SPECIAL RULES FOR THE COUNSELORS GALLUP-DAKOTA POOL (13379); SAN JUAN RIO ARRIBA, SANDOVAL AND MCKINLEY COUNTIES, NEW MEXICO.

Dear Mr. Catanach:

On behalf of Energen Resources Corporation, enclosed for filing is an original and one copy of its Pre-Hearing statement regarding the hearing on January 8, 2015.

Thank you.

Very truly yours,

J. Scott Hall

Enclosure

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

APPLICATION TO AMEND ORDER NO. R-12984 TO REMOVE CERTAIN ACREAGE FROM THE BASIN-MANCOS GAS POOL (97232); TO CREATE A MANCOS OIL POOL WITH SPECIAL POOL RULES; TO EXEMPT HORIZONTAL WELLS FROM PRE-EXISTING POOLS IN THE SUBJECT AREA AND RESTRICT THOSE POOLS TO CURRENT BOUNDARIES; TO ABOLISH OIL ALLOWABLES IN THE SUBJECT AREA; TO RETAIN FOR THE NEW OIL POOL THE AUTHORITY TO DOWNHOLE COMMINGLE PRODUCTION FROM THE MANCOS, MESAVERDE AND DAKOTA FORMATIONS PROVIDED BY ORDER NO. R-12984-B; AND TO AMEND THE SPECIAL RULES FOR THE COUNSELORS GALLUP-DAKOTA POOL (13379); SAN JUAN RIO ARRIBA, SANDOVAL AND MCKINLEY COUNTIES, NEW MEXICO

Case No. 15191

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PRE-HEARING STATEMENT

Energen Resources Corporation (“Energen”) provides this Pre-Hearing Statement as required by the rules of the Division.

APPEARANCES

APPLICANT

ConocoPhillips Company

Encana Oil & Gas (USA Inc.

Logos Resources, LLC

WPX Energy Production, LLC

APPLICANT’S ATTORNEY

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INTERESTED PARTY

New Mexico Oil Conservation Division

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1220 South St. Francis Drive
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OTHER PARTIES

Energen Resources Corporation

OTHER PARTIES' ATTORNEY

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STATEMENT OF THE CASE

Applicants seek an order (1) amending Division Order No. R-12984 to remove certain acreage from the Basin-Mancos Gas Pool (97232); (2) creating a "Mancos Oil Pool" subject to special rules allowing, among other things, 320-acre spacing units for all horizontal wells in the subject area and standard 330 foot setbacks; (3) exempting horizontal wells from the pre-existing pools covering all or part of the Mancos formation in the subject area and restricting pre-existing pools to current boundaries; (4) abolishing oil allowable in the subject area for all pools; (5) retaining for the new Mancos Oil Pool the approval to downhole commingle production from the Mancos, Mesaverde and Dakota formations provided by Order No. R-12984-B; and (6) amending the Special Rules for the Counselors Gallup Dakota Oil Pool (13379) to provide for standard 330 foot setbacks.

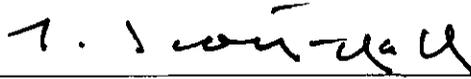
Energen Resources Corporation supports the Application.

PROPOSED EVIDENCE

Energen does not at this time plan to present any witnesses but reserves the right to do so.

Respectfully submitted,

MONTGOMERY & ANDREWS, P. A.

By: 

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Certificate of Service

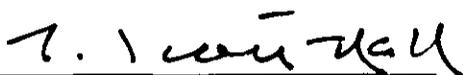
I hereby certify that a true and correct copy of the foregoing was served to counsel of record by electronic mail this 29th day of December, 2014.

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