

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

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IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:

APPLICATION OF ANSCHUTZ OIL COMPANY,
LLC FOR A NON-STANDARD OIL SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
RIO ARRIBA COUNTY, NEW MEXICO.

Case No. 15,318

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Anschutz Oil Company, LLC
Suite 2400
555 17th Street
Denver, Colorado 80202

Attention: Deidre O'Callaghan
(303) 299-1478

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Anschutz Oil Company, LLC seeks an order approving a 650.32 acre non-standard oil spacing and proration unit in the Mancos formation (Gavilan-Mancos Pool) and Dakota formation (Gavilan Greenhorn-Graneros-Dakota Pool) comprised of Lots 1-4, S/2N/2, and S/2 (All) of Section 1, Township 24 North, Range 2 West, N.M.P.M., Rio Arriba County, New Mexico, and pooling all interests in the Mancos formation and Dakota formation underlying Section 1. Applicant proposes to drill its Schmitz Well No. 1, to a depth sufficient to test the Dakota formation, at a location 1708 feet from the south line and 949 feet from the east line of Section 1. Also to be considered will be the cost of drilling and completing the well and the allocation of

the cost thereof, as well as actual operating costs and charges for supervision, designation of Anschutz Exploration Corporation as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Deidre O'Callaghan (landman)	20 min.	Approx. 6
_____ (geologist)	10 min.	Approx. 4

OPPONENT

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

Because these are vertical wells, and no one is contesting the risk penalty, applicant intends to present the geological evidence by affidavit.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Anschutz Oil Company, LLC

cc: Michael Feldewert via e-mail