

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

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

CASE NO. 13653

2006 MAR 9 PM 1:24

APPLICATION OF BP AMERICA PRODUCTION  
COMPANY FOR COMPULSORY POOLING AND  
DOWNHOLE COMMINGLING, SAN JUAN  
COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

BP America Production Company  
Attn: Mr. Brett Woody  
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Houston, Texas 77253-3092  
(281) 366-4691

ATTORNEY

Ocean Munds-Dry  
William F. Carr, Esq.  
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STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Dakota formation to an approximate depth of 7432 feet in the following described spacing and proration units located in the W/2 of Section 32, Township 31 North, Range 10 East, N.M.P.M., San Juan County, New Mexico: the W/2 for all formations and/or pools developed on 320-acre spacing which includes but is not limited to the Blanco-Mesaverde Gas Pool and the Basin Dakota-Gas Pool; and the SW/4

2/21/06  
WST/ECM

for all formations and/or pools developed on 160-acre spacing. Said units are to be dedicated to its EPNG Com B LS Well No. 3M to be drilled at a standard gas well location 2150 feet from the South line and 725 feet from the West line (Unit L) of said Section 32. Applicant also seeks to commingle production from the Mesaverde formation, Blanco-Mesaverde Gas Pool and the Dakota formation, Basin-Dakota Gas Pool in said well. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of BP America Production Company as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 15 miles northeast of Farmington, New Mexico.

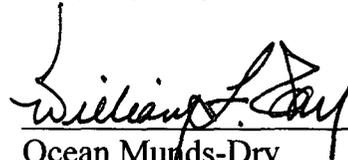
**PROPOSED EVIDENCE**

APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Matt Hood (Landman)	Approx. 15 Minutes	Approx. 6

**PROCEDURAL MATTERS**

BP America Production Company has none at this time.

  
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Ocean Muds-Dry  
William F. Carr  
Attorney for BP America Production  
Company