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 PURPOSES OF CONSIDERING:

CASE NO. 13939

APPLICATION OF WILLIAMS PRODUCTION CO., LLC, FOR AMENDMENT OF ORDER NO. R-2046, SAN JUAN AND RIO ARRIBA COUNTIES, 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

Mr. Vern Hansen Williams Production Co., LLC One Williams Center 25th Floor P. O. Box 3102 Tulsa, Oklahoma 74101 (918) 573-6169

ATTORNEY

Ocean Munds-Dry Holland & Hart, LLP P.O. Box 2208 Santa Fe, New Mexico 87504 (505) 988-4421

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STATEMENT OF CASE

APPLICANT

Applicant, in the above-styled cause seeks the amendment of Division Order R-2046 to delete certain non-standard spacing and proration units for the Basin-Dakota Gas Pool in Township 31 North, Ranges 5 and 6 West, NMPM, San Juan and Rio Arriba Counties and creating new non-standard spacing units consistent with current drilling patterns. Said area is located approximately 9 miles southeast of Arbolies, Colorado.

PROPOSED EVIDENCE

APPLICANT

WITNESSES ESTIMATED TIME

Vern Hansen, Petroleum Approx. 30 minutes Approx. 10

Landman

PROCEDURAL MATTERS

Williams Production Co., LLC has none at this time.

Ocean Munds-Dry

Attorney for Williams Production Co. LLC

EXHIBITS