

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:

APPLICATION OF U.S. ENERCORP, LTD.
FOR A NON-STANDARD OIL SPACING AND
PRORATION UNIT AND AN UNORTHODOX
OIL WELL LOCATION, RIO ARNIBA COUNTY,
NEW MEXICO.

Case No. 13,951

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by U.S. Enercorp, Ltd. as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

U.S. Enercorp, Ltd.
Suite 405
8610 North New Braunfels
San Antonio, Texas 78217

Attention: John Sowell
(210) 829-4888

APPLICANT'S ATTORNEY

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

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order approving a non-standard oil spacing and proration unit (project area) comprised of Lots 3, 4, S/2NW/4, and SW/4 (the W/2) of Section 2, and Lots 1, 2, S/2NE/4, and SE/4 of Section 3 (the E/2), in Township 23 North, Range 1 West, NMPM, to form a non-standard 644.28-acre oil spacing and proration unit (project area) for any and all formations or pools developed on 640-acre spacing within that vertical extent, including the West Puerto Chiquito-Mancos Pool. The unit is to be dedicated to the Laguna Colorado 2/3 Well No. 1, a directional well to be drilled at a surface location 3250 feet from the south line and 1220 feet

from the east line of Section 3, with a terminus 2180 feet from the south line and 1870 feet from the west line of Section 2. Applicant also requests approval of an unorthodox location for the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
John Sowell (landman)	15 min.	Approx. 2
Jim McConnell (geologist)	15 min.	Approx. 4

OPPONENT

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

-None-

Respectfully submitted,



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

Attorney for U.S. FuzeCorp, Ltd.