

**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 APACHE CORPORATION  
TO AMEND THE SPECIAL RULES AND  
REGULATIONS FOR THE SOUTH EUNICE-  
SAN ANDRES POOL, LEA COUNTY, NEW MEXICO.**

**Case No. 13,911**

**PRE-HEARING STATEMENT**

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

**APPEARANCES**

**APPLICANT**

Apache Corporation  
Suite 1500  
6120 South Yale  
Tulsa, Oklahoma 74136

Attention: Mario Moreno  
(918) 491-4963

**APPLICANT'S ATTORNEY**

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

**OTHER PARTY**

Chesapeake Operating, Inc.

**OTHER PARTY'S ATTORNEY**

Ocean Munds Dry

**STATEMENT OF THE CASE**

**APPLICANT**

Applicant seeks an order amending the special rules and regulations for the South Eunice-San Andres Pool to allow two wells to be located on each quarter-quarter section. The current pool rules, established by Order Nos. R-3706 and R-4193, as amended, provide for (i) 80 acre well units, (ii) wells to be located no closer than 330 feet to a quarter-quarter section line, (iii) one well per quarter-quarter section, and (iv) a limiting gas:oil ratio of 6000 cubic feet of gas for each barrel of oil produced. The pool includes all or parts of Sections 2, 10, 11, 12, and 14, Township 22 South, Range 37 East, N.M.P.M.

OPPONENT

**PROPOSED EVIDENCE**

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Mario Moreno (landman)	10 min.	Approx. 4
Robert Curtis (geologist)	15 min.	Approx. 6
Clint Mills (operations engineer)	15 min.	Approx. 4
<u>                    </u> (reservoir engineer)	10 min.	Approx. 2

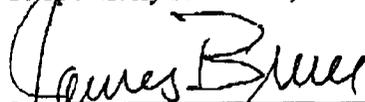
OPPONENT

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

-None-

Respectfully submitted,



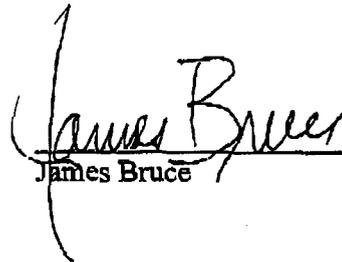
James Bruce  
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Attorney for Apache Corporation

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record via facsimile transmission this 1<sup>st</sup> day of April, 2007:

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