

STATE OF NEW MEXICO RECEIVED  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION DIVISION MAY 22 AM 11 52

IN THE MATTER OF THE APPLICATION  
OF ENERGEN RESOURCES CORPORATION  
FOR COMPULSORY POOLING AND UNORTHODOX  
WELL LOCATION, RIO ARRIBA AND  
SAN JUAN COUNTIES, NEW MEXICO

CASE NO. 14130

**PRE-HEARING STATEMENT**

This Pre-Hearing Statement is submitted by Montgomery and Andrews, P.A. (J. Scott Hall) on behalf of Energen Resources Corporation, as required by the Oil Conservation Division.

**APPEARANCES**

APPLICANT'S ATTORNEY

J. Scott Hall, Esq.  
Montgomery & Andrews, P.A.  
Post Office Box 2307  
Santa Fe, New Mexico 87504  
(505) 982-3873

APPLICANT

Energen Resources Corporation

OPPONENT'S ATTORNEY

OPPONENT

OTHER PARTY'S ATTORNEY

OTHER PARTY

## STATEMENT OF THE CASE

### APPLICANT

Applicant seeks an order pooling all mineral interests in the Fruitland Coal formation, (Basin-Fruitland Coal Gas Pool) underlying the W/2 of Section 22, Township 32 North, Range 6 West, NMPM, Rio Arriba and San Juan Counties, New Mexico, forming a standard 320-acre spacing and proration unit to be dedicated to the 32-5 Unit Well No. 115. The well will be directionally drilled from an unorthodox surface location 120 feet from the South line and 50 feet from the East line of Section 22 in Rio Arriba County, penetrating the Fruitland Coal formation at an unorthodox point 50 feet from the South line and 2630 feet from the West line of Section 22, to a standard bottom hole location 660 feet from the North and West lines of Section 22 in Township 32 North, Range 6 West, NMPM in San Juan County, New Mexico. 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 Energen Resources Corporation as operator of the well and a charge for risk involved in drilling said well.

Applicant seeks to pool the interests of a mineral interest owner who has been unresponsive to requests to participate in the well. No opposition is anticipated. Landman testimony and exhibits will be presented via affidavit.

Note: Almost the entire surface of the spacing and proration unit is submerged by the Navajo Reservoir. The border of Rio Arriba and San Juan Counties also traverses the unit.

OPPOSITION OR OTHER PARTY

None.

**PROPOSED EVIDENCE**

**APPLICANT**

**WITNESSES**

**EST. TIME**

**NO. OF EXHIBITS**

Dave Poage, Landman

20 Minutes

6 (by affidavit)

**OPPOSITION**

**WITNESSES**

**EST. TIME**

**NO. OF EXHIBITS**

**PROCEDURAL MATTERS**

Note: Energen also has pending before the Division a request for administrative approval of the unorthodox well location. Energen has been advised that approval of the administrative application is imminent and consequently, Applicant may ask that this particular request for relief be dismissed from the examiner hearing.

MONTGOMERY & ANDREWS, P.A.

By:



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Attorneys for Energen Resources Corporation