

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

FIRST AMENDED APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, FOR THE CREATION OF THE BASIN MANCOS GAS POOL (97232), AND FOR PRE-APPROVAL FOR DOWN-HOLE COMMINGLING & THE CREATION OF SPECIAL POOL RULES FOR THE BASIN MANCOS GAS POOL (97232), SAN JUAN, RIO ARRIBA & SANDOVAL COUNTIES, NEW MEXICO.

CASE NO. 14133

ENTRY OF APPEARANCE AND
PRE-HEARING STATEMENT

The Oil Conservation Division submits this entry of appearance and pre-hearing statement pursuant to OCD Rule 1211 [19.15.14.1211 NMAC].

APPEARANCES

APPLICANT

Oil Conservation Division

APPLICANT'S ATTORNEY

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RESPONDENT

N/A

STATEMENT OF THE CASE

The Oil Conservation Division (OCD) seeks an Order:

- (i) Creating the Basin Mancos Gas Pool (97232),
- (ii) Pre-approving down-hole commingling of the Basin Mancos Gas Pool (97232), and
- (iii) Creating special pool rules for the Basin Mancos Gas Pool (97232).

The creation of the **Basin Mancos Gas Pool (97232)** in San Juan, Rio Arriba and Sandoval Counties in New Mexico will allow a small resource to be developed in conjunction with Basin Dakota Gas Pool and Blanco Mesaverde Gas Pool wells. Providing for pre-approval for down-hole commingling with the Basin Dakota and Blanco Mesaverde gas pool wells pursuant to Rule 303.C.3.b will further serve to facilitate the development of the Basin Mancos Gas Pool. These requests being made by the Division through this Application are in the best interest of conservation, the prevention of waste and the protection of correlative rights

In addition, due to the unique character and positioning of the Basin Mancos Gas Pool, the Division is requesting that special pool rules regarding spacing and setbacks (as specifically articulated in the First Amended Application) be created in association with this Pool to ensure that development and production of this pool is conducted in an orderly, efficient and environmentally sound manner.

APPLICANT'S PROPOSED EVIDENCE

WITNESS:

Steve Hayden, OCD District III Geologist

40 Min.

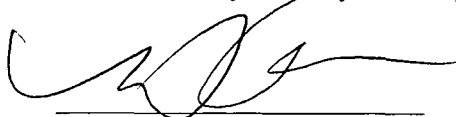
ANTICIPATED EXHIBITS:

1. Packet of 20 pool maps depicting the adjustments to the Gallup Pool formations (expansions and contractions) relating to the proposed Basin Mancos Gas Pool creation.

PROCEDURAL MATTERS

NONE.

Respectfully submitted
this 22nd day of May 2008 by



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