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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 FOR AN EXCEPTION TO DIVISION ORDER NOS. R-9922-E AND R-12121 TO PERMIT A THIRD WELL ON A WELL UNIT, EDDY COUNTY, NEW MEXICO.

Case No. 14,176

PRE-HEARING STATEMENT

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

APPEARANCES

<u>APPLICANT</u> Apache Corporation Suite 1500 6120 South Yale Tulsa, Oklahoma 74136 APPLICANT'S ATTORNEY James Bruce P.O. Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043

Attention: Paul Brindle

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an exception to Division Order Nos. R-9922-E and R-12121 to allow it to drill, complete, and produce the Lowe State Well No. 7, as an infill well in an existing 320 acre spacing unit in the Indian Basin-Upper Pennsylvanian Associated Pool comprised of the W/2 of Section 36, Township 21 South, Range 23 East, N.M.P.M., at an orthodox location in the NW/4NW/4 (Unit D) of Section 36. Applicant further seeks to simultaneously dedicate production from the Indian Basin-Upper Pennsylvanian Associated Pool in the W/2 of Section 36 to the proposed Lowe State Well No. 7 and to the existing (i) Lowe State Well No. 5, located 1650 feet from the south line and 2450 feet from the west line, and (ii) Lowe State Well No. 6, located 660 feet from the south line and 990 feet from the west line, of Section 36.

OPPONENT PROPOSED EVIDENCE APPLICANT **WITNESSES** EST. TIME EXHIBITS Paul Brindle 10 min. Approx. 4 (landman) **Robert Curtis** 25 min. Approx. 8 (geologist) 30 min. Approx. 6 (engineer) **OPPONENT WITNESSES** EST, TIME **EXHIBITS**

PROCEDURAL MATTERS

Applicant requests that this case be consolidated for hearing with Case No. 14,177 (Application of Apache Corporation for an exception to Division Order No. R-9922-E to permit a third well on a well unit, Eddy County, New Mexico).

Respectfully submitted,

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

Attorney for Apache Corporation