

Davidson, Florene, EMNRD

From: Thomas Kellahin [tkellahin@comcast.net]
Sent: Thursday, December 30, 2010 3:09 PM
To: Davidson, Florene, EMNRD
Cc: Brooks, David K., EMNRD; Ocean Munds-Dry
Subject: OCD Case 14586
Attachments: ConocoPhillips-PHS-Case 14586 (Williams Rosa Unit.PDF

Dear Florene,

Please find attached for filing, ConocoPhillips pre-hearing statement for Case 14586 currently set for hearing on the Jan 6th Examiner's docket

Thanks,

Tom Kellahin

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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:**

CASE NO. 14586

**APPLICATION OF WILLIAMS PRODUCTION CO., LLC
FOR AN EXCEPTION TO THE SPECIAL RULES AND
REGULATIONS FOR THE BLANCO-MESAVERDE GAS POOL
TO ALLOW INCREASED WELL DENSITY IN THE ROSA UNIT
SAN JUAN AND RIO ARRIBA COUNTIES, NEW MEXICO**

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by ConocoPhillips Company as required by the New Mexico Oil Conservation Division.

APPEARANCES OF THE PARTIES

APPLICANT

Williams Production Company, LLC

ATTORNEY

Ocean Munds-Dry, Esq.

INTERESTED PARTY

ConocoPhillips Company
P. O. Box 4289
Farmington, New Mexico 87499-4289
Attn: Richard Corcoran
505-326-9589

W. Thomas Kellahin
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505-982-4285
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STATEMENT OF THE CASE

INTERESTED PARTY:

- (1) Williams is the applicant before the New Mexico Oil Conservation Division in the referenced case and seeks approval to increase the well density in the Rosa Unit for wellbores completed in the Mesaverde formation from the current four wellbores per 320-acre gas spacing unit to not more than eight wellbores.
- (2) ConocoPhillips, an offsetting operator to the Rosa Unit, seeks a one-half mile "buffer zone" so that any increased Mesaverde density wells within the Rosa Unit will not be drilled closer than one-half mile to the outer boundary of this unit for the ConocoPhillips operated properties
- (3) ConocoPhillips is neither for nor against the requested increased density for the Rosa Unit provided that the Division adopts this "buffer zone."
- (4) The agreed buffer zone that addresses ConocoPhillips' concerns about its correlative rights, and possible unnecessary wells but still allow Williams to move forward with its application.

CONOCOPHILLIPS' PROPOSED EVIDENCE

WITNESSES

EST. TIME


EST. EXHIBITS

Neal Roberts (petroleum engineer) (pending)
(possible witness)

PROCEDURAL MATTERS

ConocoPhillips and Williams have entered into a stipulation for a "buffer area" that ConocoPhillips requests be adopted by the Division in any order entered in this case.

KELLAHIN & KELLAHIN


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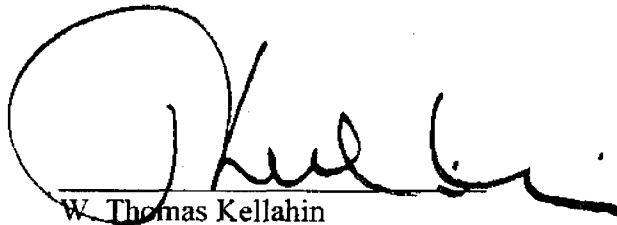
CERTIFICATE OF SERVICE

I certify that on December 30, 2010, I served a copy of the foregoing documents by:

- ☐ US Mail, postage prepaid
- ☐ Hand Delivery
- ☐ Facsimile
- ☒ Email

to the following:

David K. Brooks, Esq. OCD
Ocean Munds-Dry, Esq.



W. Thomas Kellahin