PETROLEUM DEVELOPMENT CORPORATION

	Fax	Cover	Sheet
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Date: <u>Se</u> p	t. 12, 1994
Attn: Mike	Stoquer
Company N	ame: NM OCC
Ph # 827-5	5811
Fax # 8	27-5741
From: Jim C	. Johnson
9720 Albuq Ph. #	B Candelaria, NE querque, NM 87112 (505) 293-4044 (505) 293-4133
Comments:	Dear Mike,
	I wanted to get these to you as soon as I found they had
	not been submmited. See you at the hearing.
	Thanks ,
	JIM C. JOHNSON

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. 11082, 11083, 11084

APPLICATION OF Petroleum Development Corporation for a high angle/horizontal directional drilling pilot project and for special operating rules therefor, Chaves County, New Mexico.

PRE-HEARING STATEMENT

This prehearing statement is submitted by Petroleum Development Corporation as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT	ATTORNEY
Petroleum Development Corporation	Annie Laurie Coogan
9720-b Candelaria N.E.	P. O. Box 2073
Albuq. NM 87110	Espanola NM 87532
(505) 2934044	1-800-933-2214
Jim C. Johnson	
name, address, phone and contact person	
OPPOSITION OR OTHER PARTY	ATTORNEY
·	
name, address, phone and contact person	

GEP-12-94 MON 15:02

.-hearing Statement .MOCD Case No. 11082 Page 2

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

CASE 11082: Application of Petroleum Development Corporation for a high angle/horizontal directional drilling pilot project and for special operating rules therefor, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a short-radius horizontal directional drilling pilot project in the Tom Tom-San Andres Pool on its State "32" Lease comprising the S/2 SW/4 and NW/4 SE/4 of Section 32. Township 7 South, Range 31 East. Initially the applicant proposes to utilize the existing State "32" Well Nos. 2 and 4 located in Units "I" and "N", respectively, of said Section 32 by kicking-off from vertical, build angle to approximately 90 degrees with a short-radius curve and continue drilling a horizontal drainhole within said pool. Applicant further seeks the promulgation of special rules and provisions therein including the designation of a prescribed area limiting the horizontal displacement of any drainhole to within 100 feet of the boundary circumventing said project area, an administrative process for future drainholes, the creation and formation of oversized and irregular shaped spacing and provation units to accommodate such wellbores, and the assignment of a special oil allowable to units with drainholes or to assign a special project allowable for the project area should it be deemed advisable. Said project area is located approximately 13 miles south by west of Kenna, New Mexico.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

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Pre-hearing Statement NMOCD Case No. 11082, 11083, 11084 Page 3

PROPOSED EVIDENCE

APPLICANT

WITNESSES EST. TIME EXHIBITS (Name and expertise)

J. C. Johnson 15 minutes (4)
Petroleum Engineer
35 years Oil and Gas Exploration
and Production from Canada to
Gulf Coast

OPPOSITION

WITNESSES EST. TIME EXHIBITS (Name and expertise)

PROCEDURAL MATTERS
(Please identify any procedural matters which
need to be resolved prior to the hearing)

None

Signature

EP-12-94 MON 15:04

5052934122

.-hearing Statement .MOCD Case No. -11084 Page 2

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

CASE 11084: Application of Petroleum Development Corporation for a high angle/horizontal directional drilling pilot project and for special operating rules therefor, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a short-radius horizontal directional drilling pilot project in the Tom Tom-San Andres Pool on its Miller Federal Lease comprising the S/2 NE/4, SE/4 NW/4, S/2 SW/4, and SE/4 of Section 34 and the S/2 of Section 35, both in Township 7 South, Range 31 East. Initially the applicant proposes to utilize the existing Miller Federal lease Well Nos. 3, 6, 7, 8, and 9 by kicking-off from vertical, build angle to approximately 90 degrees with a short-radius curve and continue drilling a horizontal drainhole within said pool. Applicant further seeks the promulgation of special rules and provisions therein including the designation of a prescribed area limiting the horizontal displacement of any drainhole to within 100 feet of the boundary circumventing said project area, an administrative process for future drainholes, the creation and formation of oversized and irregular shaped spacing and proration units to accommodate such wellbores, and the assignment of a special oil allowable to units with drainholes or to assign a special project allowable for the project area should it be deemed advisable. Said project area is located approximately 13 miles south by east of Kenna, New Mexico.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

SEP-12-94 MON 15:03

4-hearing Statement MOCD Case No. 11083 Page 2

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

CASE 11083: Apply then of Petroleum Development Corporation for a high angle/horizontal directional drilling pilot project and for perioding rules therefor, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to a snort-radius horizontal directional drilling pilot project in the Tomahawk-San Andres Pool on its Tom State "36" Lease comprising the NE/4 NE/4, S/2 NE/4, and SE/4 of Section 36, Township 7 South, Range 31 East. Initially the applicant proposes to utilize the existing Tom State "36" Well Nos. 1, 4, and 5 located in Units "A", "J", and "P", respectively, of said Section 36 by kicking-off from vertical, build angle to approximately 90 degrees with a short-radius curve and continue drilling a horizontal drainhole within said pool. Applicant further seeks the promulgation of special rules and provisions therein including the designation of a prescribed area limiting the horizontal displacement of any drainhole to within 100 feet of the boundary circumventing said project area, an administrative process for future drainholes, the creation and formation of oversized and irregular shaped spacing and proration units to accommodate such wellbores, and the assignment of a special oil allowable to units with drainholes or to assign a special project allowable for the project area should it be deemed advisable. Said project area is located approximately 13 miles south by east of Kenna, New Mexico.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)