

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:

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CASE NO. 11152

JOINT APPLICATION OF TEXACO
EXPLORATION AND PRODUCTION INC.
and MARATHON OIL COMPANY FOR
A PRESSURE MAINTENANCE PROJECT,
ETC., LEA COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This prehearing statement is submitted by Shell Western E&P Inc. as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Texaco Exploration & Production Inc.

Marathon Oil Company

ATTORNEY

William F. Carr
Post Office Box 2208
Santa Fe, NM 87504-2208

W. Thomas Kellahin
Post Office Box 2265
Santa Fe, NM 87504-2265

OTHER PARTY

Shell Western E&P Inc.
Post Office Box 576
Houston, Texas 77001
(713) 544-3868
Attn: R. L. Sykes

ATTORNEY

HINKLE, COX, EATON,
COFFIELD & HENSLEY
James Bruce
Post Office Box 2068
Santa Fe, NM 87504-2068

STATEMENT OF CASE

APPLICANT

Texaco and Marathon seek to institute a pressure maintenance project for the Vacuum-Drinkard Pool, together with related relief.

OTHER PARTY

Shell is an offset operator to the proposed project, with two top allowable wells producing from the Vacuum-Drinkard Pool. Shell is in favor of the project. However, in order to protect its wells, Shell requests that a provision for lease line agreements between operators be incorporated into any order approving the project. A proposed provision is attached hereto as Exhibit A.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

OTHER PARTY

WITNESSES

EST. TIME

EXHIBITS

Shell does not intend to present any witnesses.

PROCEDURAL MATTERS

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HINKLE, COX, EATON,
COFFIELD & HENSLEY

By:



James Bruce
Post Office Box 2068
Santa Fe, New Mexico 87504-2068
(505) 982-4554

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing **Pre-Hearing Statement** were mailed this 22nd day of November, 1994, to:

W. Thomas Kellahin
Post Office Box 2265
Santa Fe, New Mexico 87504-2265

William F. Carr
Post Office Box 2208
Santa Fe, New Mexico 87504-2208


James Bruce

Prior to commencing the drilling or recompletion of any injection wells located in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ and N $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 6, Township 18 South, Range 35 East, the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 1, Township 18 South, Range 34 East, and the E $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 36, Township 17 South, Range 34 East, except for the proposed Texaco Exploration and Production Inc. N.M. "L" St. Well No. 16 to be located 1310 feet FNL and 10 feet FEL of Section 1, Township 18 South, Range 34 East, to be used for the proposed Vacuum Drinkard Pressure Maintenance Project or for any secondary or tertiary recovery project instituted thereafter, the operator of said acreage shall submit to the Santa Fe Office of the Division an Injection Lease Line Agreement executed by the operator and Shell Western E&P Inc., or any successor in interest to Shell Western E&P Inc.

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