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. 11527

APPLICATION OF TEXACO EXPLORATION AND PRODUCTION INC., FOR AN UNORTHODOX OIL WELL LOCATION FOR A LEASE LINE PRODUCTION WELL AND SIMULTANEOUS DEDICATION, LEA COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell, Carr, Berge & Sheridan, P.A., as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT	ATTORNEY
Texaco Exploration and Production Inc.	William F. Carr, Esq.
c/o Ron Lanning	Campbell, Carr, Berge & Sheridan, P.A.
Post Office Box 3109	Post Office Box 2208
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name, address, phone and	
contact person	
INTERESTED PARTY	ATTORNEY
	<u> </u>

Pre-hearing Statement NMOCD Case No. 11527 Page 2

STATEMENT OF CASE

APPLICANT

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

Texaco Exploration and Production Inc., applicant in the above-styled cause, seeks approval to drill its proposed Vacuum-Grayburg San Andres Well No. 159 as a leaseline production well at an unorthodox location 572 feet from the North line and 78 feet from the East line (Unit A) of Section 1, Township 18 South, Range 34 East, to be dedicated to a standard 40-acre spacing unit consisting of the NE/4 NE/4 of said Section 1 in the Vacuum-Grayburg San Andres Pool. Said well is to be simultaneously dedicated with the existing Vacuum Grayburg San Andres Unit Wells 50, 58, 122 and 158.

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.)

Pre-hearing Statement NMOCD Case No. 11527 Page 3

PROPOSED EVIDENCE

APPLICANT

WITNESSES EST. TIME EXHIBITS

(Name and expertise)

Ron Lanning, Landman 15 Min. Approximately 8

OTHER PARTY

WITNESSES EST. TIME EXHIBITS (Name and expertise)

PROCEDURAL MATTERS

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

willand Signature