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. 11680

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APPLICATION OF RICHARDSON OPERATING COMPANY FOR COMPULSORY POOLING AND AN UNORTHODOX GAS WELL LOCATION, SAN JUAN COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by RICHARDSON OPERATING CO., as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

ATTORNEY

Richardson Operating Co. 1700 Lincoln, Suite 1700 Denver, Colorado 80203 (303) 830-8000 W. Thomas Kellahin KELLAHIN AND KELLAHIN P.O. Box 2265 Santa Fe, New Mexico 87504 (505) 982-4285

attn: Cathy Colby

STATEMENT OF RICHARDSON OPERATING COMPANY

This same case was presented to the Division at the Examiner hearing on July 11, 1996 and approved by the Division Order R-10624 issued on July 22, 1996. However, Richardson failed to either commence the well not later than October 15, 1996 and also failed to request an extension of the pooling order and therefore the prior order expired.

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Richardson has a working interest ownership in the oil and gas minerals underlying the SE/4 of Section 15, T29N, R13W, NMPM, San Juan County, New Mexico.

In order to minimize surface disturbance within the SE/4 of said Section 15, Richardson seeks approval to locate its ROPCO 15 GW PC Well No. 2 at an unorthodox well location 476 feet from the South line and 1800 feet from the East line (Unit G) of said Section 15.

Richardson has proposed to the other working interest owners that this well be drilled and completed for potential production from any Pictured Cliffs formation to be dedicated to a 160-acre gas spacing and proration unit consisting of the SE/4 of said Section for production from either the Fulcher Kutz-Pictured Cliffs Gas Pool or the West Kutz-Pictured Cliffs Gas Pool.

PROPOSED EVIDENCE

APPLICANT:

WITNESSES EST. TIME EXHIBITS

None (see below)

PROCEDURAL MATTERS

Motion to incorporate record in Case 11569, including transcript of testimony and exhibits for hearing held on July 11, 1996 which resulted in the issuance of Order R-10624 dated July 22, 1996.

Bv:

Introduction of new certificate of notice in this case.

KELLAHIN AND KELLAHIN

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