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:

APPLICATION OF THOMPSON ENGINEERING & PRODUCTION COMPANY, FOR AN OFF PATTERN COAL/GAS WELL LOCATION, SAN JUAN COUNTY, NEW MEXICO.

CASE NO. 11723

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by TEXAKOMA OIL & GAS CORPORATION, as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

ATTORNEY

Thompson Engineering

William F. Carr

INTERESTED PARTY

ATTORNEY

Texakoma Oil & Gas Corp. 5400 LBJ Freeway, Suite 500 Dallas, Texas 75240 Attn: David Williams

Attn: David Williams (972) 701-9106

W. Thomas Kellahin KELLAHIN & KELLAHIN P.O. Box 2265 Santa Fe, NM 87504 (505) 982-4285 Pre-Hearing Statement NMOCD Case 11728 Page 2.

TEXAKOMA'S STATEMENT OF CASE

Texakoma requests that the Division deny Thompson's application for an off pattern coal-gas well location because a suitable on pattern location is available to Thompson.

Texakoma's requested **off pattern location** unnecessarily encroaches upon Texakoma's well location and if approved, will simply cause wells to be located too close together thereby causing waste and violating correlative rights.

PROPOSED EVIDENCE

APPLICANT:

WITNESSES

EST. TIME EXHIBITS

Brad Salzman (P.E.)

60 Min

@ 16 exhibits

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PROCEDURAL MATTERS

None pending at this time

KELLAHIN AND KELLAHIN

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