

**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. 12015

APPLICATION OF GRUY PETROLEUM  
MANAGEMENT FOR AN UNORTHODOX  
WELL LOCATION AND  
SIMULTANEOUS DEDICATION.  
LEA COUNTY, NEW MEXICO.

98 AUG 28 PM 4:59  
OIL CONSERVATION DIV.

**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**

Gruy Petroleum Management  
c/o Zeno Farris  
600 E. Las Colinas Blvd., Suite 1200  
Irving, TX 75039  
(972) 443-6489

name, address, phone and  
contact person

**ATTORNEY**

William F. Carr, Esq.  
Campbell, Carr, Berge & Sheridan, P.A.  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
(505) 988-4421

**INTERESTED PARTY**

Doyle Hartman, Oil Operator  
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\_\_\_\_\_  
\_\_\_\_\_

**ATTORNEY**

Michael Condon, Esq.  
Gallegos Law Firm  
460 St. Michael's Drive, Building 300  
Santa Fe, New Mexico 87505

Armstrong Energy Corporation  
\_\_\_\_\_  
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W. Thomas Kellahin, Esq.  
Kellahin & Kellahin  
117 North Guadalupe Street  
Santa Fe, New Mexico 87501

### STATEMENT OF CASE

#### APPLICANT

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

Gruy Petroleum Management, applicant in the above-styled cause, seeks an exception to Oil Conservation Division Rule 104.C.(2) to authorize an unorthodox gas well location for the Rhodes Federal Unit Well No. 43 at a point 2310 feet from the South line and 990 feet from the West line (Unit L) of Section 4, Township 26 South, Range 37 East, and authorization to simultaneously dedicate this well and its Rhodes Federal Unit Wells 43 and 415 to a standard gas spacing unit comprised of the SW/4 of Section 4 in the Rhodes-Yates-Seven Rivers Gas Pool.

#### 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.)

**PROPOSED EVIDENCE**

APPLICANT

| WITNESSES<br>(Name and expertise)   | EST. TIME | EXHIBITS        |
|-------------------------------------|-----------|-----------------|
| Greg Jessup, Petroleum Landman      | 45 Min.   | Approximately 4 |
| H.C. Lee, Geologist                 | 1 hr.     | Approximately 7 |
| Richard Frazier, Petroleum Engineer | 30 Min..  | Approximately 2 |

OTHER PARTY

| WITNESSES<br>(Name and expertise) | EST. TIME | EXHIBITS |
|-----------------------------------|-----------|----------|
|-----------------------------------|-----------|----------|

**PROCEDURAL MATTERS**

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

  
\_\_\_\_\_  
Signature

**CERTIFICATE OF SERVICE**

I hereby certify that I have caused a true and correct copy of the foregoing Pre-Hearing Statement to be hand-delivered on this 28 day of August, 1998 to the following counsel of record:

Michael Condon, Esq.  
Gallegos Law Firm  
460 St. Michael's Drive, Building 300  
Santa Fe, New Mexico 87505

W. Thomas Kellahin, Esq.  
Kellahin & Kellahin  
117 North Guadalupe Street  
Santa Fe, New Mexico 87501

  
\_\_\_\_\_  
Paul R. Owen