

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION COMMISSION
FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF POGO PRODUCING COMPANY
FOR APPROVAL OF A PILOT PRESSURE
MAINTENANCE PROJECT AND TO QUALIFY THE
PROJECT COUNTY FOR THE RECOVERED OIL
TAX RATE PURSUANT TO THE ENHANCED OIL
RECOVERY ACT, EDDY, NEW MEXICO.

Case No. 12,223
(De Novo)

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Commission.

APPEARANCES

APPLICANT

Pogo Producing Company
P.O. Box 10340
Midland, Texas 79702
(915) 685-8150
Attention: R. Scott McDaniel

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks to institute a pilot pressure maintenance project in the Delaware formation on four federal leases covering portions of Sections 20, 21, 28, and 29, Township 23 South, Range 31 East, NMPM, by the injection of water into the Pure Gold "B" Fed. Well No. 20, located in Unit P of Section 20. Applicant further seeks to qualify the project for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5).

The relief requested by applicant was granted by Division Order No. R-11246. Applicant appeals the order only with respect to the following issue: The order required applicant to perform remedial work on the Pure Gold "A" Fed. Well No. 1, located 800

feet from the south line and 1980 feet from the west line of Section 21, before commencing injection. Applicant asserts that, because of the low injection pressures, no harm will occur by not performing the remedial work. In addition, re-entering the subject well could kill the well, causing loss of reserves. Therefore, applicant requests that this provision of the order be removed.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Ron Gasser	15 minutes	(a) Land plat (b) Wellbore sketch (c) Pressure data (d) Production data

OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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PROCEDURAL MATTERS

-None-



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Pogo Producing Company