

**BEFORE THE OIL CONSERVATION DIVISION  
ENERGY & MINERALS DEPARTMENT  
STATE OF NEW MEXICO**

**APPLICATION OF NAVAJO REFINING  
COMPANY TO MODIFY DISCHARGE PLAN  
TO CHANGE LOCATION OF INJECTION  
WELL IN EDDY COUNTY, NEW MEXICO**

**NO. 12249**

**PREHEARING STATEMENT**

COMES NOW the applicant, NAVAJO REFINING COMPANY, and for its prehearing statement states:

1. Applicant is Navajo Refining Company ("Navajo"). Its attorneys are Losee, Carson, Haas & Carroll, P.A. (Joel M. Carson).
2. Protestant is Don L. Benscoter. If he is represented by counsel, counsel's name has not been disclosed.
3. Navajo filed an application to convert the Chukka Federal Well No. 2 (formerly the Amoco Production Company Diamond Federal Gas Com No. 1) to a disposal well. Protestant objected alleging that he owned the well bore.
  4. The issues are:
    - a) Whether the Oil Conservation Division ("OCD") has jurisdiction to determine the ownership of the well bore; and
    - b) If the OCD has jurisdiction to determine the ownership of the well bore, then is Navajo the owner of the well bore or does it have control of the well bore so that it can dispose of waste water through the well bore?

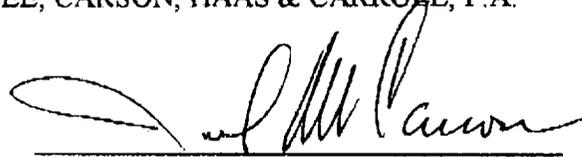
5. Applicant proposes to call William F. Carr, attorney at law, to testify on the issues presented.

6. Time needed: 30 minutes.

Respectfully submitted,

LOSEE, CARSON, HAAS & CARROLL, P.A.

By:

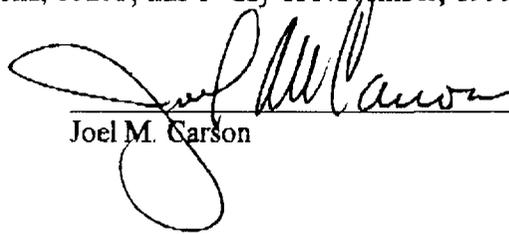


Joel M. Carson  
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(505/746-3305)

Attorneys for Navajo Refining Company

**CERTIFICATE OF MAILING**

The undersigned hereby certifies that he did mail in the United States Post Office at Artesia, New Mexico a true copy of the foregoing Prehearing Statement to Don L. Bencoter, 6105 East Sage Drive, Scottsdale, Arizona, 85253, this 1<sup>st</sup> day of November, 1999.

A handwritten signature in cursive script, appearing to read "Joel M. Carson", is written over a horizontal line. The signature is fluid and somewhat stylized, with a large loop at the end.

Joel M. Carson