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. 12432

APPLICATION OF AMERADA HESS CORPORATION FOR APPROVAL TO CONVERT THE NMGSAU WELL NOS. 215 AND 503 TO INJECTION IN THE NORTH MONUMENT GRAYBURG SAN ANDRES UNIT, LEA COUNTY, NEW MEXICO.

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 ATTORNEY

Amerada Hess Corporation William F. Carr, Esq. Campbell, Carr, Berge & Sheridan, P.A. Attn: Chad McGehee

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OPPOSITION OPPOSING COUNSEL Doyle Hartman J. E. Gallegos, Esq. Oil Operator Gallegos Law Firm 500 N. Main Street 460 St. Michael's Drive, Suite #300

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STATEMENT OF CASE

APPLICANT

Applicant seeks approval to convert its NMGSAU Well Nos. 215 and 503to injection in the North Monument Grayburg San Andres Unit (NMGSAU). These wells are designed to improve recovery efficiency of the waterflood patterns and enhance production of the NMGSAU secondary recovery project. The wells are located in the following locations in Township 19 South, Range 37 East, NMPM:

NMGSAU No. 215: Section 18, Unit O, and

NMGSAU No. 503: Section 19, Unit C.

Water will be injected into the unitized interval of the Grayburg-San Andres formation, Eunice Monument Grayburg San Andres Pool through the gross perforated and/or open hole interval from approximately 3720 feet to 3965 feet at an expected rate of 1000 barrels of water per day and with a maximum injection pressure of 710 pounds per square inch. This area is located approximately 4 miles northwest of Monument, New Mexico.

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PROPOSED EVIDENCE

APPLICANT

WITNESS EST. TIME EXHIBITS

Chad McGehee Approx. 20 min. Approx. 19 (Petroleum Engineer)

PROCEDURAL MATTERS

Amerada Hess Corporation has none at this time.

William F Carr

CERTIFICATE OF SERVICE

I hereby certify that on this 3rd day of October, 2000, I have caused to be fax - delivered a copy of our Prehearing Statement in the above-captioned case to the following named parties:

Gallegos Law Firm, P.C. Attn: J.E. Gallegos, Esq. 460 St. Michael's Drive, Suite 300 Santa Fe, NM 87505-7602

William F. Carr