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- * NEW MEXICO BOARD OF SPECIALIZATION RECOGNIZED SPECIALIST IN NATURAL RESOURCES - OIL & GAS LAW
- ** NEW MEXICO BOARD OF SPECIALIZATION RECOGNIZED SPECIALIST IN REAL ESTATE LAW

January 18, 2002

Lori Wrotenbery, Director
New Mexico Oil Conservation Division
1220 St. Francis Drive
Santa Fe, New Mexico 87505

Hand Delivered

Re: NMOCD Case No. 12801; Application of D.J. Simmons, Inc. for Compulsory Pooling, Rio Arriba County, New Mexico (E/2 Sec. 25, T-25-N, R-3-W, NMPM; Naomi Well No. 3)

Dear Ms. Wrotenbery:

Enclosed are an original and two copies of the Pre-Hearing Statement of D.J. Simmons, Inc. in the above referenced matter.

Thank you for your attention to this matter.

Yours very truly,

MILLER, STRATVERT & TORGERSON, P.A.

T. J. Scott Hall

J. Scott Hall

JSH/glb
Enclosures
cc: John Byrom (w/encl.)

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

IN THE MATTER OF THE APPLICATION OF
D. J. SIMMONS, INC. FOR COMPULSORY POOLING,
RIO ARriba COUNTY, NEW MEXICO

CASE NO. 12801

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Miller, Stratvert & Torgerson, P.A.,
attorneys for D. J. Simmons, Inc., as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT'S ATTORNEY

J. Scott Hall, Esq.
Miller, Stratvert & Torgerson, P.A.
Post Office Box 1986
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(505) 989-9614

APPLICANT

D. J. Simmons, Inc.
Post Office Box 1469
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(505) 326-3753

OPPONENT'S ATTORNEY

William F. Carr, Esq.
Michael Feldewert, Esq.
Holland & Hart, LLP and Campbell & Carr
P.O. Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

OPPONENT

McElvain Oil & Gas Properties, Inc.
Denver, Colorado

OTHER PARTY'S ATTORNEY

None to date/unknown

OTHER PARTY

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STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all uncommitted mineral interests in all formations from the base of the Pictured Cliffs formation to the base of the Mesaverde formation underlying the E/2 of Section 25, Township 25 North, Range 3 West, NMPM, to form a standard 320-acre stand-up gas spacing and proration unit for all formations and/or pools developed on 320-acre spacing within that vertical extent, which includes but is not necessarily limited to the Undesignated Blanco-Mesaverde Gal Pool. Said unit is to be dedicated to Applicant's proposed Naomi Well No. 3 to be drilled at a standard location in the SE/4 of said Section 25.

OPPOSITION OR OTHER PARTY

D. J. Simmons has pending an application for the compulsory pooling of the SE/4 of Section 25, T-25-N, R-3-W, NMPM in Case. No. 12802. D. J. Simmons has also proposed the creation of an E/2 unit to be dedicated to its Bishop Federal 25-1 well to be drilled to the Blanco-Mesaverde and Gallup-Dakota formations at a standard location in the NE/4 of Section 25.

PROPOSED EVIDENCE

APPLICANT

| WITNESSES (Name and expertise) | EST. TIME | EXHIBITS |
|-----------------------------------|------------|----------|
| Lisa Gusek, Geologist | 25 minutes | 5 |
| Ed Dunn, Landman | 25 minutes | 6 |
| Tom Mullins, Reservoir Engineer | 25 minutes | 5 |

OPPOSITION

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

PROCEDURAL MATTERS


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

D. J. Simmons has filed a Motion to Continue due to the untimely filed Application in this case. As the Application in Case No. 12802 was filed on December 21, 2001, it should be heard first in any event.

Note also, that D. J. Simmons has filed a Motion to Dismiss McElvain's Application for a N/2 Mesa Verde unit in Case No. 12747.

Respectfully submitted.

MILLER, STRATVERT & TORGERSON, P.A.

By 
J. Scott Hall
Attorneys for D. J. Simmons, Inc.
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(505) 989-9614

Certificate of Mailing

I hereby certify that a true and correct copy of the foregoing was mailed to counsel of record on the 18th day of January, 2002, as follows:

Michael Feldewert, Esq.
P.O. Box 2208
Santa Fe, New Mexico 87504

J. Scott Hall

J. Scott Hall