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. 10290

APPLICATION OF AVON ENERGY CORPORATION FOR AMENDMENT OF DIVISION ORDER NOS. R-3185, R-3185-A, AND R-3528 TO EXPAND THE VERTICAL LIMITS AND TO ESTABLISH AN INJECTION PRESSURE LIMITATION EDDY COUNTY, NEW MEXICO



AUG 0 1 1991

OIL CONSERVATION DIV. SANTA FE

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by AVON ENERGY CORPORATION as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT (name, address, phone and contact person)

ATTORNEY

Mr. T.M. Hatfield BHI Energy Corporation 1153 Dairy Ashford, Ste. 803 P.O. Box 2265 Houston, Texas 77079 Santa Fe, New Mexico 87504 (713) 870-1178

W. Thomas Kellahin KELLAHIN, KELLAHIN & AUBREY (505) 982-4285

Pre-hearing Statement NMOCD Case No. 10290 Page 2

STATEMENT OF CASE

APPLICANT

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

Applicant operates its Turner "B" Lease Waterflood Project in Eddy County, New Mexico pursuant to Division Orders R-3185, R-3185-A and R-3528 which is a waterflood project in the Premier zone of the Grayberg-San Andres formation of the Grayburg-Jackson Pool.

Applicant seeks the vertical expansion of this waterflood to include all of the Grayburg-San Andres formation and to increase the surface injection pressure limitation to 450 PSI above the formation parting pressure.

Pre-hearing Statement NMOCD Case No. 10290 Page 3

PROPOSED EVIDENCE

APPLICANT

WITNESSES EST. TIME EXHIBITS (name and expertise)

Roy C. Williamson, Jr. 45 min. Reservoir

> calculations Step-rate test Pressure plots Pertinent production & injection

data on subject

area

Cross-section Location map

Stratigraphic cross-

section

Frac Lite logs Prism logs Type log

Ownership map show-

ing analogous

projects Socorro Order

R-2268-C

Pre-hearing Statement NMOCD Case No. 10290 Page 4

PROCEDURAL MATTERS

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

KELLAHIN, KELLAHIN & AUBREY

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