

**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:

CASE NOS. 10345
and 10346
(De Novo)

APPLICATION OF BHP PETROLEUM
(AMERICAS) INC. FOR
COMPULSORY POOLING,
SAN JUAN COUNTY, NEW MEXICO.

RECEIVED

FEB 21 1992

OIL CONSERVATION DIV.
SANTA FE

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by William F. Carr, as required by the Oil Conservation Commission.

APPEARANCES OF PARTIES

APPLICANT

BHP Petroleum (Americas) Inc. _____

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name, address, phone and
contact person

ATTORNEY

James G. Bruce _____
Hinkle, Cox, Eaton, Coffield & Hensley
500 Marquette, NW, #800 _____
Albuquerque, New Mexico 87102 _____
(505) 768-1500 _____

OPPOSITION OR OTHER PARTY

Louise Y. Locke _____
d/b/a Locke-Taylor Drilling Co. _____
139-1/2 East 2nd Street _____
Rifle, CO 81650 _____

()

name, address, phone and
contact person

ATTORNEY

William F. Carr _____
Campbell, Carr, Berge & Sheridan, P.A.
Post Office Box 2208 _____
Santa Fe, New Mexico 87504 _____
(505) 988-4421 _____

STATEMENT OF CASE

APPLICANT

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

Louise Y. Locke, d/b/a Locke-Taylor Drilling Company opposes the compulsory pooling applications of BHP Petroleum (Americas) Inc. which affect her interest in the S/2 of Section 23, Township 29 North, Range 13 West, N.M.P.M., San Juan County, New Mexico. BHP failed to seek or obtain voluntary agreement with Mrs. Locke for the development of the W/2 of Section 23 and drilled its Gallegos Canyon Unit Well No. 390 at its own risk. BHP has no right to drill the Gallegos Canyon Unit Well No. 391 in the NE/4 of Section 23 and in so doing, illegally trespassed on Mrs. Locke's lands and has and/or will damage her property interests in the N/2 of Section 23.

PROPOSED EVIDENCE

APPLICANT

WITNESSES
(Name and expertise)

EST. TIME

EXHIBITS

OPPOSITION

WITNESSES
(Name and expertise)

EST. TIME

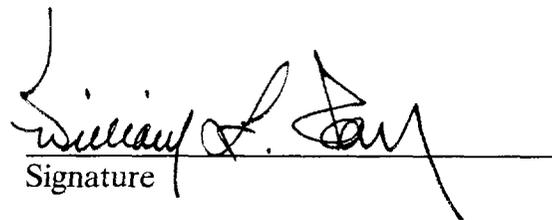
EXHIBITS

Richard David Simmons, Sr.,
(Petroleum Engineer)

20 Min.

Approximately 5

PROCEDURAL MATTERS


Signature

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

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

Case Nos. 10,345
and 10,346

APPLICATIONS OF BHP PETROLEUM
(AMERICAS) INC. FOR COMPULSORY
POOLING, SAN JUAN COUNTY, NEW
MEXICO.

PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

BHP Petroleum (Americas) Inc.
5847 San Felipe, Suite 3600
Houston, Texas 77057
(713) 780-5000
Attention: Donald Reinhardt

ATTORNEY

James Bruce
Hinkle, Cox, Eaton,
Coffield & Hensley
500 Marquette, N.W.
Suite 800
Albuquerque, N.M. 87102
(505) 768-1500

OPPOSITION OR OTHER PARTY

Louise Y. Locke

ATTORNEY

William F. Carr
Richard T. C. Tully

STATEMENT OF CASE

APPLICANT

Applicant owns or operates the S $\frac{1}{2}$, and also is the operator of approximately 137 acres of the NE $\frac{1}{4}$, all in Section 23-29 North-13 West, as to the Fruitland Coal formation. Louise Locke owns the leasehold in the N $\frac{1}{2}$ of Section 23 as to the Fruitland Coal formation. BHP has drilled but not completed wells in the SW $\frac{1}{4}$ and NE $\frac{1}{4}$ of the section, and has dedicated the W $\frac{1}{2}$ and E $\frac{1}{2}$ of Section 23 to said wells, respectively. Louise Locke has refused to join in the drilling of the wells or otherwise commit her interests. Therefore, BHP seeks to pool the Locke

Pre-hearing Statement
 NMOCC Case Nos. 10,345
 and 10,346
 Page 2

interests into the wells, be named operator of both wells, and have a penalty assessed against Louise Locke if she goes non-consent under the pooling orders.

OPPOSITION OR OTHER PARTY

PROPOSED EVIDENCE

APPLICANT

WITNESS	EST. TIME	EXHIBITS
Donald Reinhardt (Landman)	25 minutes	(a) Land Plat (b) Correspondence (c) AFE for each Well (d) BLM unit commitment status definitions (e) Unit Agreement and other unit documents (f) Leases and assignments; Farmout Contract
Melissa Torbett (Petroleum Engineer)	10 minutes	(a) Coal thickness map
Chris Camden (Reservoir Engineer)	25 minutes	(Potential witness)

OPPOSITION

WITNESS	EST. TIME	EXHIBITS
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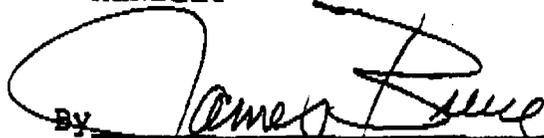
PROCEDURAL MATTERS

Applicant proposes that the parties submit a Summary of the Examiner hearing, and limit presentations at the Commission hearing to new evidence and oral arguments.

Pre-hearing Statement
NMOCC Case Nos. 10,345
and 10,346
Page 3

Respectfully Submitted,

HINKLE, COX, EATON, COFFIELD &
HENSLEY

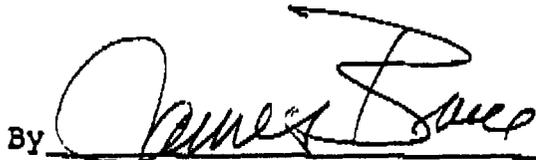
By 

James Bruce
500 Marquette, N.W.
Suite 800
Albuquerque, N.M. 87102
(505) 768-1500

Attorneys for Applicant

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Pre-Hearing Statement was mailed this 10th day of January, 1992 to William F. Carr, P. O. Box 2208, Santa Fe, New Mexico 87504.

By 
James Bruce