

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

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OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 10511

APPLICATION OF MITCHELL ENERGY  
CORPORATION FOR AN UNORTHODOX  
GAS WELL LOCATION AND FOR NON-  
STANDARD PRORATION UNITS,  
LEA COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by W. Thomas Kellahin, Esq. on behalf of MITCHELL ENERGY CORPORATION as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

MITCHELL ENERGY CORP.  
400 W. Illinois, Suite 1000  
Midland, Texas 79701  
Attn: Mr. Larry Cunningham  
(915) 682-5396

ATTORNEY

W. Thomas Kellahin  
KELLAHIN, KELLAHIN & AUBREY  
P.O. Box 2265  
Santa Fe, NM 87504  
(505) 982-4285

OPPOSITION OR OTHER PARTY

ATTORNEY

Applicant is not aware of any opposition

**STATEMENT OF CASE**

APPLICANT

Mitchell Energy Corporation seeks authorization to drill proposed Crazy Horse "18" Federal Well No 1 at a surface location 1980 feet FNL and 660 feet FWL of Section 18, T19S, R32E, Lea County, New Mexico.

The proposed location is unorthodox for the Atoka and Morrow gas formations. The proposed spacing units for the well if the Strawn oil pool is productive would be non-standard 121.61 acres being the NW/4 of the section excluding the SE/4NW/4. The proposed spacing unit for the well if either the Morrow or the Atoka is productive would be the N/2 of the section excluding the SE/4NW/4 thereby constituting a non-standard unit of 281.61 acres.

The approval of the unorthodox locations and the non-standard units is based upon the previously existing Phillips Petroleum Company operated Lusk Deep Unit which consists of the SE/4NW/4 and the S/2 of Section 18 along with other acreage.

Pre-Hearing Statement  
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**PROPOSED EVIDENCE**

**APPLICANT**

WITNESSES	EST TIME	EXHIBITS
Ted Gawloski (geologist)	20 min.	approx. 8
Steven J. Smith (landman)	15 min.	approx. 6
Carl Richard (P.E.)	20 min.	approx 4

**PROCEDURAL MATTERS**

None applicable at this time.

KELLAHIN, KELLAHIN & AUBREY

By: 

W. Thomas Kellahin

P.O. Box 2265

Santa Fe, New Mexico 87504

(505) 982-4285

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BRUCE KING  
GOVERNOR



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(505) 827-5800

September 3, 1992

KELLAHIN, KELLAHIN & AUBREY  
Attorneys at Law  
P. O. Drawer 2265  
Santa Fe, New Mexico 87504

RE: CASE NO. 10510, CASE NO. 10511,  
ORDER NO. R-9711, ORDER NO. R-9712,

Dear Sir:

Enclosed herewith are two copies of the each of the above-referenced Division order recently entered in the subject case.

Sincerely,

A handwritten signature in cursive script, appearing to read "Florene Davidson".

Florene Davidson  
OC Staff Specialist

FD/sl

cc: BLM - Farmington, Carlsbad  
OCD Aztec Office  
Steve Keene