

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:

PAGE NO. 002.

APPLICATION OF UNION OIL COMPANY  
OF CALIFORNIA d/b/a UNOCAL FOR  
TERMINATION OF GAS PRODUCTION  
IN THE SOUTH BLANCO-PICTURED C. 107  
RIO ARriba, SANDOVAL AND SAN JUAN COUNTIES, N.M.

PRE-HEARING STATEMENT

This prehearing statement is submitted by Ward Camp  
Esq., Keleher & McLeod, P.A. as required by the Oil Conservation  
Division.

APPEARANCES OF PARTIES

APPLICANT:

Union Oil Company of California  
d/b/a UNOCAL  
  
3300 North Butler Ave., Ste 200  
Farmington, NM 87401  
Attention: Thomas W. Engler  
(505) 326-7600

Ward Camp, Esq.  
Keleher & McLeod, P.A.  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
(505) 988-4427

OPPOSITION OR OTHER PARTY:

Gas Company of New Mexico  
Alvarado Square  
Albuquerque, New Mexico 87103

ATTORNEY:

Ward Camp, Esq.  
Keleher & McLeod, P.A.  
P.O. Drawer AA  
Albuquerque, NM 87103

**ILLEGIBLE**

Pre-hearing Statement  
NMOCD Case No. 10521  
Page 2

### STATEMENT OF CASE

#### APPLICANT

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

#### 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.)

Gas Company of New Mexico opposes depredation of the South Blanco Pictured Cliffs, for the following reasons:

1. No data presently exists to establish that depredation is necessary - OGD is presently compiling data from OGD Forms, this application is therefore at a minimum premature.
2. In light of the large number of non-marginal wells in this pool, depredation is not appropriate at this time.
3. Any evidence that market demand has increased for this particular pool without showing a commensurate increase in state wide market demand is insufficient to permit a change in the allocation of production. The OGD is required to set allowables to prevent unreasonable discrimination between pools pursuant to 70-2-16 (D.) NMSA 1978 (1987 Repl.). Therefore, evidence must be presented to establish that depredation will not result in unreasonable discrimination.

ILLEGIBLE

Pre-hearing Statement  
NMOCD Case No. 10521  
Page 3

**PROPOSED EVIDENCE****APPLICANT**

**WITNESSES**  
(Name and expertise)

**EST. TIME****EXHIBITS****OPPOSITION**

**WITNESSES**  
(Name and expertise)

**EST. TIME****EXHIBITS**

Vic Lyons-prosecutioning

30 minutes

None

**PROCEDURAL MATTERS**

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

  
Signature**ILLEGIBLE**

HWC/dlb:229

## KELEHER &amp; McLEOD, P. A.

ATTORNEYS AND COUNSELORS AT LAW

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P. O. DRAWER AA

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DATE: AUG 5, 1992

TO: Mr. William D. LeMay, Director  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
Santa Fe, New Mexico 87504

FROM: H. WARD CAMPWe are transmitting the following: Pre-Hearing Statement in Case # 10521

Comments: \_\_\_\_\_

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**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. 10521

RECEIVED

JUL 31 1997

OIL CONSERVATION DIVISION

APPLICATION OF UNION OIL COMPANY  
OF CALIFORNIA d/b/a UNOCAL FOR  
TERMINATION OF GAS PRORATIONING  
IN THE SOUTH BLANCO-PICTURED CLIFFS POOL,  
RIO ARRIBA, SANDOVAL and SAN JUAN COUNTIES, NEW MEXICO.

**PRE-HEARING STATEMENT**

This prehearing statement is submitted by William F. Carr, as required by the Oil Conservation Division.

**APPEARANCES OF PARTIES**

**APPLICANT**

Union Oil Company of California  
d/b/a UNOCAL  
3300 North Butler Avenue, Suite 200  
Farmington, New Mexico 87401  
Attn: Thomas W. Engler

(505) 326-7600 \_\_\_\_\_  
name, address, phone and  
contact person

**ATTORNEY**

William F. Carr  
  
Campbell, Carr, Berge & Sheridan  
Post Office Box 2208  
Santa Fe, New Mexico 87504

(505) 988-4421 \_\_\_\_\_

**OPPOSITION OR OTHER PARTY**

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\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
name, address, phone and  
contact person

**ATTORNEY**

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\_\_\_\_\_  
\_\_\_\_\_

**STATEMENT OF CASE**

**APPLICANT**

Union Oil Company of California d/b/a Unocal, applicant, seeks an order terminating prorationing in the South Blanco-Pictured Cliffs Pool and to exclude said pool from the provisions of Division Order No. R-8170, as amended (General Rules for the Prorated Gas Pools of New Mexico). The current pool boundaries include portions of Townships 23 through 29 North, Ranges 1 through 9 West, in the three county area as stated above.

**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.)

**PROPOSED EVIDENCE**

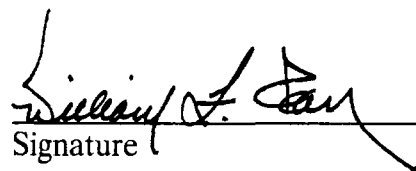
APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Thomas W. Engler, Petroleum Engineer	45 Min.	Approximately 30
Paul West, Petroleum Engineer	10 Min.	Approximately 2

OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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**PROCEDURAL MATTERS**

  
\_\_\_\_\_  
Signature