

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. 10531

**APPLICATION OF SOUTHLAND ROYALTY  
COMPANY FOR AN UNORTHODOX GAS WELL  
LOCATION AND DOWNHOLE COMMINGLING,  
SAN JUAN COUNTY, NEW MEXICO**

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by SOUTHLAND  
ROYALTY COMPANY as required by the Oil Conservation  
Division.

**APPEARANCE OF PARTIES**

**APPLICANT**

SOUTHLAND ROYALTY CO.  
P.O. Box 4289  
Farmington, NM 87499  
ATTN: Alan Alexander

**ATTORNEY**

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

**OPPOSITION OR OTHER PARTY**

N/A

**ATTORNEY**

**RECEIVED**

AUG 14 1992

OIL CONSERVATION DIVISION

**STATEMENT OF CASE**

APPLICANT

Applicant seeks approval to commingle gas production from the Fulcher Kutz-Pictured Cliffs Pool and the Basin Fruitland Coal (Gas) Pool within the wellbore of its proposed Hanks 501 Well to be drilled at an unorthodox well location for the Basin Fruitland Coal Gas Pool, 1800 feet from the North line and 790 feet from the West line (Unit E) of Section 12, Township 27 North, Range 10 West, NMPM, San Juan County, New Mexico. The W/2 of said Section 12 forming a standard 320-acre gas spacing and proration unit for the Basin Fruitland Coal (Gas) Pool and the NW/4 of said Section 12, forming a standard 160-acre spacing unit for the Fulcher Kutz Pictured Cliffs Pool are to be dedicated to said well.

OPPOSITION OR OTHER PARTY

N/A

**PROPOSED EVIDENCE**

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Scott Daves Reservoir Engineer	15 Min.	2 Exhibits
Kaye Stewart-Hicks Geologist	15 Min.	2 Exhibits
Alan Alexander Landman	10 Min.	1 Exhibit

OPPOSITION

WITNESSES	EST. TIME	EXHIBITS
SEE OPPOSITION FILING, IF ANY		

**PROCEDURAL MATTERS**

None applicable at this time.

KELLAHIN AND KELLAHIN

By:   
W. Thomas Kellahin  
P.O. Box 2265  
Santa Fe, New Mexico 87504  
(505) 982-4285  
ATTORNEYS FOR APPLICANT

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

IN THE MATTER OF THE APPLICATION  
OF SOUTHLAND ROYALTY COMPANY  
FOR APPROVAL OF AN UNORTHODOX  
GAS WELL LOCATION AND DOWNHOLE  
COMMINGLING, SAN JUAN COUNTY,  
NEW MEXICO

RECEIVED  
AUG 19 1992  
OIL CONSERVATION DIVISION

CASE No. 10531

ENTRY OF APPEARANCE

COMES NOW Rodey, Dickason, Sloan, Akin & Robb, P.A. and hereby enters its  
appearance on behalf of McKenzie Methane Corporation.

RODEY, DICKASON, SLOAN, AKIN & ROBB, P.A.

By: 

PAUL A. COOTER

Post Office Box 1357

Santa Fe, New Mexico 87504-1357

Telephone: (505) 984-0100

I hereby certify that a copy  
of the foregoing pleading was *hand delivered*  
~~mailed~~ to W. Thomas Kellahin  
this 19th day of August, 1992.

RODEY, DICKASON, SLOAN, AKIN & ROBB, P.A.

By: 

Paul A. Cooter