

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

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OIL CONSERVATION DIVISION

CASE NO. 10623

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

APPLICATION OF SEA COAST, INC.
FOR COMPULSORY POOLING,
SAN JUAN COUNTY, 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

ATTORNEY

Sea Coast, Inc. _____
c/o Mike Briggs _____
Post Office Box 50418 _____
Amarillo, Texas 79159-0418 _____
(806) 354-0145 _____
name, address, phone and
contact person

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

OPPOSITION OR OTHER PARTY

ATTORNEY

name, address, phone and
contact person

STATEMENT OF CASE

APPLICANT

Sea Coast, Inc., applicant in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation in Section 7, Township 29 North, Range 12 West, and in the following described manner: Lots 5 through 9, the N/2 NE/4, and the NW/4 SE/4 (E/2 equivalent) to form a standard 331.45-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent (which presently includes only the Basin-Fruitland Coal (Gas) Pool and Lots 5 and 6 and the N/2 NE/4 (NE/4 equivalent) to form a standard 160.46-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent (which presently includes but is not necessarily limited to the Undesignated West Kutz-Fruitland Sand Pool and Fulcher Kutz-Pictured Cliffs Pool. Said units are to be dedicated to a single well to be drilled at a standard gas well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, and a charge for risk involved in drilling said well. Applicant also requests that Marlex Resources, Inc. be designated operator of the well.

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

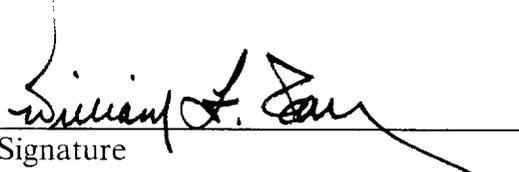
APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Mike Briggs or Jim Sullins, Landman	10 Min.	Approximately 5
Mickey O'Hare, Engineer	10 Min.	Approximately 3

OPPOSITION

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


Signature