CASE 10992: (Continued from June 9, 1994, Examiner Hearing.)

Application of Forcenergy Gas Exploration, Inc. for compulsory pooling and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation, underlying the E/2 of Section 14, Township 17 South, Range 35 East, forming a standard 320-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 but is not necessarily limited to the Undesignated South Shoe Bar-Atoka Gas Pool and Undesignated South Shoe Bar-Morrow Gas Pool. Said unit is to be dedicated to a well to be drilled at an unorthodox gas well location 1600 feet from the South line and 1800 feet from the East line (Unit I) of said Section 14. 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, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 5 miles east-northeast of Buckeye, New Mexico.

CASE 10444: (Reopened - Continued from June 9, 1994, Examiner Hearing.)

area is located approximately 8 miles south of Eunice, New Mexico.

In the matter of Case No. 10444 being reopened pursuant to the provisions of Order No. R-9696 which order promulgated special rules and regulations for the Hobbs-Lower Blinebry Pool including a provision for 80-acre spacing units. Operators in the subject pool should be prepared to appear and show cause why the temporary special pool rules for the Hobbs-Lower Blinebry Pool should not be rescinded and said pool not be developed on 40-acre spacing units and why both the upper and lower Blinebry pools formed by this order should not be rejoined and redesignated the Hobbs-Blinebry Pool.

CASE 11017: Application of Texaco Exploration and Production Inc. for pool reclassification, pool expansion, the promulgation of special pool rules, and the further amendment of Division Order No. R-5353, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the reclassification of the North Teague-Lower Paddock-Blinebry Gas Pool as an "associated oil and gas pool" and to adopt the "General Rules and Regulations for the Associated Oil and Gas Pools in Northwest and Southeast New Mexico", as promulgated by Division Order No. R-5353, as amended, as the governing procedures for said pool and to include provisions for 40-acre oil and 160-acre gas spacing and proration units. Applicant also requests to expand the horizontal limits of said pool to include the NE/4 of Section 8 and the SW/4 of Section 9, all in Township 23 South, Range 37 East. Further, the applicant requests an increased gas-oil ratio limitation of 6,000 cubic feet of gas per barrel of oil for said pool. Said

CASE 11018: Application of Texaco Exploration and Production Inc. for pool creation and the promulgation of special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Drinkard and Abo formations, underlying the NE/4 NE/4 of Section 8 and the NW/4 NE/4 and N/2 NW/4 of Section 9, both in Township 23 South, Range 37 East, and the promulgation of special rules and regulations including a special gas-oil ratio limitation of 10,000 cubic feet of gas per barrel of oil produced. Said area is located approximately 8 miles south of Eunice, New Mexico.

CASE 10478: (Reopened)

In the matter of Case No. 10478 being reopened pursuant to the provisions of Division Order No. R-9701, which order created the Rock Mesa-Mancos Oil Pool in Sandoval County and promulgated Temporary Special Rules and Regulations for said pool, including a provisions for 640-acre spacing and proration units. All operators in said Rock Mesa-Mancos Oil Pool may appear and show cause why the Temporary Special Pool Rules for said pool should not be rescinded.

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. 11017

IN THE MATTER OF THE APPLICATION OF TEXACO EXPLORATION AND PRODUCTION INC. FOR POOL RECLASSIFICATION, POOL EXPANSION, THE PROMULGATION OF SPECIAL POOL RULES, AND THE FURTHER AMENDMENT OF DIVISION ORDER NO. R-5353, LEA COUNTY, NEW MEXICO.

1304

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell, Carr, Berge & Sheridan, P.A., as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT	ATTORNEY		
Texaco Exploration and Production Inc. c/o Todd Moehlenbrock Post Office Box 3109 Midland, TX 79702 (915) 688-4662	William F. Carr, Esq. Campbell, Carr, Berge & Sheridan, P.A Post Office Box 2208 Santa Fe, New Mexico 87504 (505) 988-4421		
name, address, phone and contact person			
OTHER PARTY	ATTORNEY		
name, address, phone and contact person			

Pre-hearing Statement NMOCD Case No. 11017 Page 2

STATEMENT OF CASE

APPLICANT

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

Texaco Exploration and Production Inc., applicant in the above-styled cause, seeks the reclassification of the North Teague-Lower Paddock-Blinebry Gas Pool as an "associated oil and gas pool" and to adopt the "General Rules and Regulations for the Associated Oil and Gas Pools in Northwest and Southeast New Mexico", as promulgated by Division Order No. R-5353, as amended, as the governing procedures for said pool and to include provisions for 40-acre oil and 160-acre gas spacing and proration units. Applicant also requests to expand the horizontal limits of said pool to include the NE/4 of Section 8 and the SW/4 of Section 9, all in Township 23 South, Range 37 East. Further, applicant requests an increased gas-oil ratio limitation of 6,000 cubic feet of gas per barrel of oil for said pool.

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
Bill Hay, Geologist	15 Min.	Approximately 2
Todd Moehlenbrock, Petroleum Engineer	30 Min.	Approximately 8

OTHER PARTY

WITNESSES	EST. TIME	EXHIBITS
(Name and expertise)		

PROCEDURAL MATTERS

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

Texaco will request that Cases 11017, 11018 and 11016 be consolidated for purposes of testimony.

Signature