

OIL CONSERVATION DIV.  
APR 20 11 08:20

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

**IN THE MATTER OF THE HEARING CALLED BY THE  
NEW MEXICO OIL CONSERVATION DIVISION ("DIVISION")  
THROUGH THE SUPERVISOR OF DIVISION DISTRICT II IN  
ARTESIA, NEW MEXICO, ON ITS OWN MOTION FOR AN  
ORDER (I) REQUIRING I.T. PROPERTIES TO PROPERLY  
PLUG AND ABANDON A CERTAIN WELL IN EDDY  
COUNTY, NEW MEXICO; OR (II) AUTHORIZING THE  
DIVISION TO PLUG AND ABANDON THIS WELL, AND  
ORDERING A FORFEITURE OF ANY PLUGGING BOND  
COVERING THIS WELL.**

**CASE 12459  
ORDER NO. R-11520**

**PREHEARING STATEMENT**

This Prehearing Statement is submitted by the Oil Conservation Division ("the Division") pursuant to the rules of the Oil Conservation Commission.

**PARTIES**

**Applicant**

New Mexico Energy, Minerals and  
Natural Resources Department  
Oil Conservation Division

**Attorney**

Kurt J. Van Deren  
Assistant General Counsel  
New Mexico Energy, Minerals and  
Natural Resources Department  
1220 S. Saint Francis Drive  
Santa Fe, NM 87505  
(505) 476-3213

**Respondent**

I.T. Properties  
Attention: K. Wendell Chen, Ph.D.  
3502 Yacht Club Court  
Suite 100  
Arlington, TX 76016  
(817) 572-3915

**Attorney**

Paul R. Owen, Esq.  
Montgomery & Andrews, P.A.  
P.O. Box 2307  
Santa Fe, NM 87504-2307  
(505) 982-3873

## STATEMENT OF THE CASE

The well at issue was originally drilled in 1975. I.T. Properties took over operation of the well in 1991. In October 1996, a Packer Leakage Test was performed on the well. That test revealed that the well was leaking in several places. The Division made repeated efforts to encourage I.T. Properties to repair the well, all to no avail. Because all such efforts were unsuccessful, the Division ultimately applied for an order that the well be plugged and the plugging bond be forfeited in order to prevent waste, to protect correlative rights, and to protect public health and the environment. That order—Order No. R-11520—was entered on January 31, 2001, after a hearing on the matter, which was held on January 24. It is from that order that I.T. Properties appeals.

## PROPOSED EVIDENCE

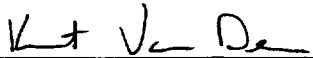
The Division will present the following evidence:

<u>Witnesses</u>	<u>Estimated Time</u>	<u>Exhibits</u>
Mike Stubblefield District II Field Representative	30 minutes	3 (with several subparts each)

## PROCEDURAL MATTERS

None.

Respectfully submitted,

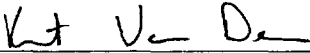
  
Kurt J. Van Deren  
Attorney for Applicant  
Oil Conservation Division

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of this Prehearing Statement was hand-delivered to the following this 26<sup>th</sup> day of April, 2001:

Stephen C. Ross, Esq.  
Oil Conservation Commission  
1220 S. Saint Francis Drive  
Santa Fe, NM 87505

Paul R. Owen, Esq.  
Montgomery & Andrews, P.A.  
325 Paseo de Peralta  
Santa Fe, NM 87501

  
\_\_\_\_\_  
Kurt J. Van Deren

OIL CONSERVATION DIV.  
APR 26 AM 8:20

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

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New Mexico Energy, Minerals and  
Natural Resources Department  
Oil Conservation Division

Attorney

Kurt J. Van Deren  
Assistant General Counsel  
New Mexico Energy, Minerals and  
Natural Resources Department  
1220 S. Saint Francis Drive  
Santa Fe, NM 87505  
(505) 476-3213

Respondent

I.T. Properties  
Attention: K. Wendell Chen, Ph.D.  
3502 Yacht Club Court  
Suite 100  
Arlington, TX 76016  
(817) 572-3915

Attorney

Paul R. Owen, Esq.  
Montgomery & Andrews, P.A.  
P.O. Box 2307  
Santa Fe, NM 87504-2307  
(505) 982-3873

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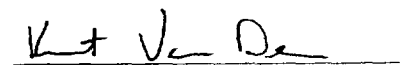
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<u>Witnesses</u>	<u>Estimated Time</u>	<u>Exhibits</u>
Mike Stubblefield District II Field Representative	30 minutes	3 (with several subparts each)

## PROCEDURAL MATTERS

None.

Respectfully submitted,

  
Kurt J. Van Deren  
Attorney for Applicant  
Oil Conservation Division

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I hereby certify that a true and correct copy of this Prehearing Statement was hand-delivered to the following this 26<sup>th</sup> day of April, 2001:

Stephen C. Ross, Esq.  
Oil Conservation Commission  
1220 S. Saint Francis Drive  
Santa Fe, NM 87505

Paul R. Owen, Esq.  
Montgomery & Andrews, P.A.  
325 Paseo de Peralta  
Santa Fe, NM 87501

  
Kurt J. Van Deren

**BEFORE THE  
NEW MEXICO ENERGY, MINERALS AND  
NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

01 APR 25 PM 3:58

OIL CONSERVATION DIV.

**IN THE MATTER OF THE APPLICATION OF  
BURLINGTON RESOURCES OIL & GAS COMPANY FOR  
APPROVAL OF A PILOT PROJECT INCLUDING  
UNORTHODOX WELL LOCATIONS AND AN EXCEPTION  
FROM RULE 4 OF THE SPECIAL RULES AND  
REGULATIONS FOR THE BASIN-FRUITLAND COAL GAS  
POOL FOR PURPOSES OF ESTABLISHING A PILOT  
INFILL DRILLING PROGRAM TO DETERMINE PROPER  
WELL DENSITY FOR FRUITLAND COAL GAS WELLS,  
SAN JUAN AND RIO ARriba COUNTIES, NEW MEXICO.**

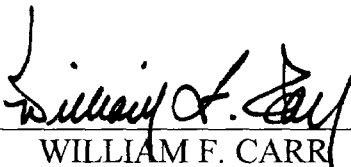
**CASE NO. 12651**

**ENTRY OF APPEARANCE**

COMES NOW HOLLAND & HART, L.L.P. and CAMPBELL & CARR, and hereby enters its appearance in the above referenced case on behalf of BP Amoco Production Company.

Respectfully submitted,

HOLLAND & HART, L.L.P.  
AND  
CAMPBELL & CARR

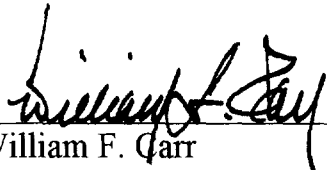
By:   
WILLIAM F. CARR  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
Telephone: (505) 988-4421

ATTORNEYS FOR BP AMOCO  
PRODUCTION COMPANY

## CERTIFICATE OF SERVICE

I hereby certify that on this 17th day of April, 2001, I have caused to be fax-delivered a copy of our Entry of Appearance in the above-captioned case to the following named parties:

W. Thomas Kellahin  
Kellahin, Kellahin Aubrey  
Post Office Box 2265  
117 North Guadalupe  
Santa Fe, New Mexico 87504-2265  
(505) 982-4285  
(505) 982-2047 (Fax)

  
\_\_\_\_\_  
William F. Carr  
Attorney for BP Amoco Production Company



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

IN THE MATTER OF THE HEARING CALLED BY THE  
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ABANDON THIS WELL, AND ORDERING A FORFEITURE  
OF ANY PLUGGING BOND COVERING THIS WELL.

CASE 12459  
ORDER NO. R-11520

AMENDED PRE-HEARING STATEMENT

This Amended Prehearing Statement is submitted by Montgomery & Andrews, P.A. as required by the Oil Conservation Commission. A Pre-Hearing Statement stating the incorrect name of the Respondent, I.T. Properties, was filed with the Commission on April 24, 2001.

APPEARANCES OF PARTIES

APPLICANT

-----

ATTORNEY

-----

RESPONDENT

I.T. Properties  
Attention: K. Wendall Chen, Ph.D  
3502 Yacht Club Court  
Suite 100  
Arlington, Texas 76016  
(817) 572-3915

ATTORNEY

Paul R. Owen, Esq.  
Montgomery & Andrews, P.A.  
Post Office Box 2307  
Santa Fe, New Mexico 87504-2307  
Santa Fe, New Mexico 87504  
(505) 982-3873

OPPOSITION OR OTHER PARTY

ATTORNEY

01 APR 25 PM 2:18  
OIL CONSERVATION DIVISION

## STATEMENT OF CASE

### RESPONDENT

I. T. Properties appeals Order No. R-11520 from the New Mexico Oil Conservation Division which requires I.T. Properties to properly plug and abandon the DHY State #1 well, Section 23, Township 19 South, Range 28 East, Eddy County, New Mexico. I.T. Properties requests that Order No. R-11520 be vacated and that I.T. Properties be permitted to re-work and produce the well.

## PROPOSED EVIDENCE

### RESPONDENT

#### WITNESSES

(Name and expertise)

EST. TIME

EXHIBITS

K. Wendall Chen, Ph.D.  
(Mechanical Engineer  
and President of Company)

Approx. 30 min.

Approx. 9

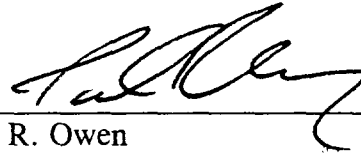
George Scott  
(Petroleum Geologist)

Approx. 15 min.

Approx. 6

## PROCEDURAL MATTERS

None.



Paul R. Owen  
Attorney for Respondent I.T. Properties

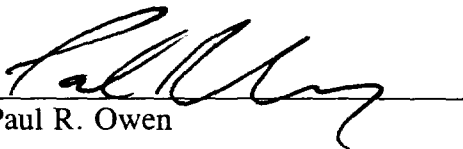
**CERTIFICATE OF SERVICE**

I hereby certify that on this 24th day of April, 2001, I have caused a copy of our Prehearing Statement in the above-captioned case to be hand-delivered to the following:

Steven Ross, Esq.  
Oil Conservation Commission  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

and to be sent via facsimile to the following:

Mr. Tim Gum  
District Supervisor  
New Mexico Oil Conservation Division  
811 S. First Street  
Artesia, New Mexico 88210  
(505) 748-9720 (fax)

  
Paul R. Owen

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

IN THE MATTER OF THE HEARING CALLED BY THE  
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CASE 12459  
ORDER NO. R-11520

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Montgomery & Andrews, P.A. as required by  
the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

-----

ATTORNEY

-----

RESPONDENT

Fuel Products, Inc.  
Attention: K. Wendall Chen, Ph.D  
3502 Yacht Club Court  
Suite 100  
Arlington, Texas 76016  
(817) 572-3915

ATTORNEY

Paul R. Owen, Esq.  
Montgomery & Andrews, P.A.  
Post Office Box 2307  
Santa Fe, New Mexico 87504-2307  
Santa Fe, New Mexico 87504  
(505) 982-3873

OPPOSITION OR OTHER PARTY

ATTORNEY

OIL CONSERVATION DIV.  
01 APR 24 PM 4:24

## STATEMENT OF CASE

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#### WITNESSES

(Name and expertise)

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K. Wendall Chen, Ph.D.  
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Approx. 30 min.

Approx. 9

George Scott  
(Petroleum Geologist)

Approx. 15 min.

Approx. 6

## PROCEDURAL MATTERS

None.

  
Paul R. Owen  
Attorney for Respondent I.T. Properties

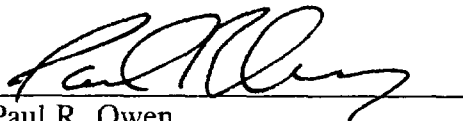
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