

**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:**

**APPLICATIONS OF KAISER-FRANCIS OIL
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

Case Nos. 22975 and 22976

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Kaiser-Francis Oil Company as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Kaiser-Francis Oil Company
P.O. Box 21468
Tulsa, Oklahoma 74121

Attention: Brendon Kushnerick

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OTHER PARTIES

OTHER PARTIES' ATTORNEYS

STATEMENT OF THE CASE

APPLICANT

Case No. 22975: Kaiser-Francis Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation in a horizontal spacing unit underlying the N/2N/2 of Section 24, Township 23 South, Range 28 East, NMPM and Lot 1, NE/4NW/4, and N/2NE/4 (the N/2N/2) of Section 19, Township 23 South, Range 29 East, NMPM. The unit will be dedicated to the Mosaic Fed. 2419 1BS Well No. 1H and the Mosaic Fed. 2419 2BS Well No. 1H, with first take points in the NW/4NW/4 of Section 24 and last take points in the NE/4NE/4 of Section 19.

Case No. 22976: Kaiser-Francis Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation in a horizontal spacing unit underlying the S/2N/2

of Section 24, Township 23 South, Range 28 East, NMPM and Lot 2, SE/4NW/4, and S/2NE/4 (the S/2N/2) of Section 19, Township 23 South, Range 29 East, NMPM. The unit will be dedicated to the Mosaic Fed. 2419 1BS Well No. 2H and the Mosaic Fed. 2419 2BS Well No. 2H, with first take points in the SW/4NW/4 of Section 24 and last take points in the SE/4NE/4 of Section 19.

Also to be considered will be the cost of drilling, completing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, and equipping the wells.

OTHER PARTIES

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Brendon Kushnerick (landman)	15 min.	Approx. 8
Lee Lindman (geologist)	15 min.	Approx. 8

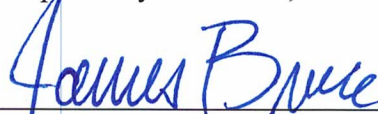
OTHER PARTIES

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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PROCEDURAL MATTERS

If the cases are unopposed they will be presented by affidavit.

Respectfully submitted,



James Bruce
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(505) 982-2043

Attorney for Kaiser-Francis Oil Company

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 138167

QUESTIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 138167
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	Not answered.
Testimony time (in minutes)	Not answered.