

**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:**

**APPLICATION OF POGO PRODUCING COMPANY
(SUCCESSOR TO ARCH PETROLEUM INC.) FOR
APPROVAL OF TWO NON-STANDARD GAS
SPACING AND PRORATION UNITS IN THE
JALMAT GAS POOL, LEA COUNTY, NEW MEXICO.**

Case No. 13,274 (*de novo*)

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Pogo Producing Company
P.O. Box 10340
Midland, Texas 79702
(432) 685-8100

Attention: Garland H. Lang IV
(432) 685-8126

APPLICANT'S ATTORNEY

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT

Fulfer Oil & Cattle, LLC

Bonnie Karlsruud, *et al.*

OPPONENT'S ATTORNEY

J.E. Gallegos

J. Scott Hall

STATEMENT OF THE CASE

APPLICANT

The S/2 of Section 20, Township 23 South, Range 37 East, NMPM currently forms a non-standard 320 acre in the Jalmat Gas Pool.

2007 APR 12 PM 4 25

In 2003 applicant acquired 100% of the working interest in the Jalmat Gas Pool in the SE/4 (and NE/4SW/4) of Section 20. Applicant seeks approval of (i) a non-standard gas spacing and proration unit comprised of the SW/4 of Section 20, to be dedicated in the Jalmat Gas Pool to the Steeler "A" Well No. 1, located in the NW/4SW/4 of Section 20, to be operated by Westbrook Oil Corporation, and (ii) a non-standard gas spacing and proration unit comprised of the SE/4 of Section 20, in said township and range, to be dedicated in the Jalmat Gas Pool to the Resler "B" Well No. 1, located in the NW/4SE/4 of Section 20, to be operated by applicant.

Due to the lower quality of the Jalmat reservoir in this area, compared to the well developed portions of the pool located to the west of Section 20, additional wells are needed in each section to adequately produce reserves and protect the correlative rights of the interest owners.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Garland H. Lang IV (landman)	20 Min. (direct)	Approx. 9
Glenn Curry (geologist)	40 min. (direct)	Approx. 10
Thomas Gentry (engineer)	20 min. (direct)	Approx. 2


OPPONENT

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

-None-

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Pogo Producing Company

CERTIFICATE OF SERVICE

12th
JTB

April 5th

The foregoing pleading was served upon the following counsel of record this 12th of March, 2007 by hand delivery:

J.E. Gallegos
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460 St. Michaels Drive, #300
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