

**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:**

**AUG 17 1994**

**CASE: 11071**

**APPLICATION OF MOBIL EXPLORATION & PRODUCING U.S. INC.  
AS AGENT FOR MOBIL PRODUCING TX & NM INC., FOR A HIGH  
ANGLE/HORIZONTAL/DIRECTIONAL DRILLING PILOT PROJECT, SPECIAL  
OPERATING RULES THEREFOR, INCLUDING A NON-STANDARD OIL SPACING &  
PRORATION UNIT, AND A SPECIAL PROJECT ALLOWABLE AND TESTING  
PERIOD, LEA COUNTY, NEW MEXICO**

**PRE-HEARING STATEMENT**

The pre-hearing statement is submitted by Mobil Exploration & Producing U.S. Inc. as agent for Mobil Producing Texas & New Mexico Inc. as required by the Oil Conservation Division.

**APPEARANCE OF PARTIES**

**APPLICANT**

Mobil Exploration & Producing  
U.S. Inc., as agent for  
Mobil Producing Texas &  
New Mexico Inc.  
Post Office Box 633  
Midland, Texas 79707  
(915) 688-2553

**ATTORNEY**

Galen M. Buller  
Edmund H. Kendrick  
Montgomery & Andrews, P.A.  
Post Office Box 2307  
Santa Fe, New Mexico 87504  
(505) 982-3873

**OTHER PARTY**

Exxon Corporation  
Post Office Box 1600  
Midland, Texas 75701  
Attention: William T. Duncan  
(915) 688-6174

**ATTORNEY**

James Bruce  
Hinkle, Cox, Eaton,  
Coffield & Hensley  
Post Office Box 2068  
Santa Fe, New Mexico 87504  
(505) 982-4554

**STATEMENT OF THE CASE**

**APPLICANT**

Mobil Exploration & Producing U.S. Inc. seeks authority to drill three high angle/horizontal directionally drilled wells to the Drinkard formation in the NW/4 of Section 34, and the NW/4SW/4 of Section 33, Township 17 South, Ranch 35 East.

The special operating provisions and rules within the project area that are being sought by Mobil include the designation of a target window for each of the horizontal wellbores such that its producing intervals can be no closer than 330 feet to any boundary of its respective oil spacing and proration units, and for a special project allowable and testing period.

**PROPOSED EVIDENCE**

**APPLICANT**


| WITNESSES  | ESTIMATED TIME | EXHIBITS |
|--|----------------|----------|
| Danny Pequeno (Landman)                          | 15 minutes     | 1        |
| Don Lewis (Sr. Staff<br>Production<br>Geologist) | 25 minutes     | 3        |
| Karen Olson (Staff<br>Reservoir<br>Engineer)     | 30 minutes     | est. 7   |

**PROCEDURAL MATTERS**

None applicable at this time.

Respectfully submitted,


MONTGOMERY & ANDREWS, P.A.

By   
Nancy M. King  
Galen M. Buller  
Edmund H. Kendrick  
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(505) 982-3873

Attorneys for Mobil Exploration &  
Producing U.S. Inc.

CERTIFICATE OF SERVICE

I hereby certify that I caused a true and correct copy of the foregoing pre-hearing statement to be hand delivered to James Bruce, Attorney at Law, Hinkle, Cox, Eaton, Coffield & Hensley, 218 Montezuma Street, Santa Fe, New Mexico 87501 on August 17, 1994.

  
Galen M. Buller