ALPINE OIL & GAS CORPORATION P. O. BOX 2567 DURANGO, COLORADO 81302

Thomas B. Grandin, Jr. President

Phone (303) 247-5386 Fax (303) 247-5388

October 7, 1994

New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, NM 87504-2088 FAX 505-827-5741

> DEGEIVED Noci 1 1 1994

OIL CON. DIV.

RE: NMOCD Hearing October 13, 1994
Texaco Exploration & Production, Inc
Downhole Commingle
H.J. Loe Federal B No. 2E
1700' FNL & 1050' FWL
Sec. 23-T29N-R12W Unit E NMPM
San Juan County, New Mexico

STATEMENT OF CASE - OPPOSITION OR OTHER PARTY

Alpine Oil & Gas Corporation will not be able to attend the hearing. Alpine Oil & Gas Corporation respectfully requests that Texaco demonstrate the following to the New Mexico Oil Conservation Division before this application is approved:

- 1. That cross flow between the Pictured Cliffs and Dakota will not occur when the back pressure on the formations is changed by:
 - a. pumping off the water.
 - b. reduction of line pressure at meter.
 - c. installation of a compressor.
- 2. That the production rates for the Pictured Cliffs and Dakota established in the application are representative of the actual rates for the respective zones under the three changes in back pressure stated in paragraph 1 above.

This Pre-Hearing Statement is respectfully submitted by Alpine Oil & Gas Corporation.

Thomas B. Grandin, Jr.

President

cc: William F. Carr, Attorney for Texaco Expl. & Prod., Inc.
Campbell, Carr, Berge & Sheridan, P.A.
P. O. Box 2208, Santa Fe, NM 87504-2208
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Ernie Busch, NMOCD, Aztec, NM Fax 505-334-6170