

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

Case No. 20285

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: Michael Maxey

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

Kaiser-Francis Oil Company seeks an order pooling all mineral interests in the Delaware formation underlying a horizontal spacing unit comprised of the W/2SW/4 of Section 24 and the W/2W/2 of Section 25, Township 23 South, Range 28 East, NMPM. The unit will be dedicated to the Brantley LBC 2425 Well No. 1H, with a first take point in the NW/4SW/4 of Section 24 and a final take point in the SW/4SW/4 of Section 25. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OTHER PARTIES

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Michael Maxey (landman)	15 min.	Approx. 8
Mitch Sullivan (geologist)	10 min.	Approx. 4

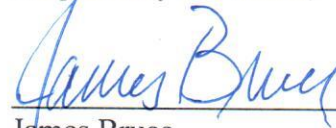
OTHER PARTIES

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
------------------	------------------	-----------------

PROCEDURAL MATTERS

If the case is not contested it may be submitted by affidavit.

Respectfully submitted,



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

Attorney for Kaiser-Francis Oil Company