

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

2005 DEC 29 PM 1:57

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

CASE NO. 13614

**APPLICATION OF BP AMERICA PRODUCTION
COMPANY FOR AN EXCEPTION TO THE WELL
DENSITY REQUIREMENTS FOR THE BLANCO-
MESAVERDE GAS POOL, SAN JUAN COUNTY,
NEW MEXICO.**

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

BP America, Inc.
Attn: Mr. J. W. "Bill" Hawkins
1660 Lincoln Street, Suite 3000
Denver, Colorado 80264
(303) 830-3259

ATTORNEY

William F. Carr, Esq.
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Santa Fe, New Mexico 87504
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STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an exception to the well density requirements of Rule I.B of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool to permit it to produce the following three Mesaverde wells located in the same quarter section (NW/4) on a standard spacing and proration unit comprised of the West half of Section 14, Township 31 North, Range 11 West, NMPM:

1. the Mudge Com B Well No. 2A (API No. 30-045-23063) located 800 feet from the North line and 1580 feet from the West line (Unit C) of said section;
2. the Mudge B Com Well No. 2 (API No. 30-045-24040) located 1660 feet from the North line and 810 feet from the West line (Unit E) of said section; and
3. the Mudge B Com Well No. 2M (API No. 30-045-31898) that was directionally drilled from a surface location 2370 feet from the North line and 1680 feet from the West line in the SE/4 NW/4 (Unit F) of Section 14 to a bottomhole location 2634 feet from the North line and 1392 feet from the West line of said section.

Said wells are located approximately 2 miles west of Canyon, New Mexico.

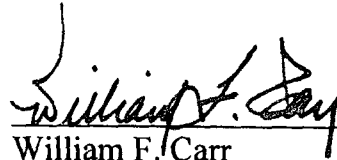
PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
J. W. Hawkins (Petroleum Engineer)	Approx. 20 Minutes	Approx. 6

PROCEDURAL MATTERS

BP America Production Company has none at this time.



William F. Carr
Attorney for BP America Production
Company

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