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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISON FOR THE PURPOSE OF CONSIDERING: CASE NO. 14179

APPLICATION OF SAN JUAN RESOURCES, INC. FOR AN UNORTHODOX WELL LOCATION SAN JUAN COUNTY, NEW MEXICO

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by San Juan Resources, Inc. as required by the New Mexico Oil Conservation Division.

APPEARENCES OF THE PARTIES

APPLICANT

ATTORNEY

San Juan Resources, Inc.

W. Thomas Kellahin, Esq. 706 Gonzales Road Santa Fe, NM 87501 Phone 505-982-43285 Fax 505-982-2047

OPPONENT

ATTORNEY

A. Dean Mammel 4642 N. Versailles Ave Dallas Texas 75209-6016 Pb 214-559-3317 Fax 214-520-2845

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STATEMENT OF THE CASE

Applicant seeks an order authorizing the drilling and production of its Blancett Ranch "24" Well No. 1 (API No. 30-045-33769) at an unorthodox well location 2435 feet from the North line and 450 feet from the East line of Section 24, Township 30 North Range 12 West, NMPM to be dedicate to a standard 320-acre spacing unit consisting of the E/2 of this section for any production for the Basin-Dakota Gas Pool and/or the Blanco-Mesaverde Gas Pool. This administrative case has been set for hearing upon the objection of A. Dean Mammel. This well is located approximately 1/2 of a mile northwest from Flora Vista, New Mexico.

PROPOSED EVIDENCE

WITNESSES	EST. TIME	EST. EXHIBITS
Jerry McHugh. Jr. President and owner of San Juan Resources, Inc.	10 minutes	@ 8
Petroleum Engineer to be determined	30-45 min	@8
Petroleum Geologist to be determined	20 min	@4

PROCEDURAL MATTERS

None at this time

Thomas Kellahin KÉLLAHIN & KELLAHIN

perfully Submitted.

CERTIFICATE OF SERVICE

On August 29, 2008, the undersigned cause to be delivered by facsimile a copy of this pleading to the objecting party

A. D. Mammel fax 214-520-2845

W. Thomas Kellahin

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