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2010 AUG 26 P 4: 44

August 26, 2010

Florene Davidson  
New Mexico Oil Conservation Commission  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

*Hand Delivered*

**Re: NMOCD Case No. 14539: Application of Energen Resources Corporation for Approval of a Pilot Project, Unorthodox Well Locations and for Exception From Rule 19.15.15.11 NMAC to Determine Proper Well Densities for Pictured Cliffs Formation Wells in Portions of the Gavilan, Tapacito and South Blanco-Pictured Cliffs Pools, Rio Arriba County, New Mexico.**

Dear Ms. Davidson:

Enclosed for filing are the original and two copies of the Pre-Hearing Statement of Energen Resources Corporation in the above-referenced matter.

Thank you.

Very truly yours,

Karen Williams  
Assistant to J. Scott Hall

:kw

Enclosures

cc: W. Thomas Kellahin, Esq. w/enc., via e-mail

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**REPLY TO:**

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

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2010 AUG 26 P 4: 44

IN THE MATTER OF THE APPLICATION OF  
ENERGEN RESOURCES CORPORATION FOR  
APPROVAL OF A PILOT PROJECT,  
UNORTHODOX WELL LOCATIONS AND FOR  
EXCEPTION FROM RULE 19.15.15.11 NMAC TO  
DETERMINE PROPER WELL DENSITIES FOR  
PICTURED CLIFFS FORMATION WELLS IN  
PORTIONS OF THE GAVILAN, TAPACITO AND  
SOUTH BLANCO-PICTURED CLIFFS POOLS,  
RIO ARRIBA COUNTY, NEW MEXICO

Case No. 14539

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Energen Resources Corporation as required by the Oil Conservation Division.

APPEARANCES

APPLICANTS

Energen Resources Corporation  
3300 North A Street, Bldg 4, Suite 100  
Midland, TX 79705

Burlington Resources Oil and Gas Co.

APPLICANT'S ATTORNEY

J. Scott Hall  
Montgomery & Andrews  
P.O. Box 2307  
Santa Fe, New Mexico 87504-2307  
(505) 986-2646

W. Thomas Kellahin  
Kellahin & Kellahin  
706 Gonzales Road  
Santa Fe, New Mexico 87501-8744  
(505) 982-4285

OPPONENT

OPPONENT'S ATTORNEY

## STATEMENT OF THE CASE

### APPLICANT

Energen Resources Corporation seeks approval for the establishment of an infill well pilot project to determine proper well densities for Pictured Cliffs formation wells in portions of the Gavilan-Pictured Cliffs pool (77360), the Tapacito-Pictured Cliffs (85920) pool and the South Blanco-Pictured Cliffs (72439) pool in Rio Arriba County for its Jicarilla-East project. Energen also seeks an exception to the well density development limitations applicable to each of the referenced pools. In addition, as these wells are pay-adds for existing Mesaverde formation producers, unorthodox locations will be necessary for four of the referenced wells:

Jicarilla 94 No. 5C	2540' FNL, 680' FWL, Section 23, T-27-N, R-3-W
Jicarilla 98 No. 2B	2200' FSL, 660' FEL, Section 19, T-26-N, R-3-W
Jicarilla 98 No. 3B	1980' FSL, 2350' FWL, Section 20, T-26-N, R-3-W
Jicarilla 117E No. 9B	2515' FNL, 5654' FWL, Section 33, T-26-N, R-3-W

### OPPONENT

## PROPOSED EVIDENCE

### APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Dave Poage, Landman	10 Minutes	4
Don Lehman, Geologist	15 Minutes	6
Zachary Van Voast, Petroleum Engineer	15 Minutes	6

### OPPONENT

<u>EST. TIME</u>	<u>EXHIBITS</u>
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**PROCEDURAL MATTERS**

Energen will request the Examiner take administrative notice of the testimony and exhibits from Case No. 12857 as they pertain to the Application in this case

MONTGOMERY & ANDREWS, P.A.

By: 

J. Scott Hall, Esq.  
Post Office Box 2307  
Santa Fe, New Mexico 87504  
(505) 982-3873  
Attorneys for Energen Resources Corporation

**Certificate of Service**

I hereby certify that a true and correct copy of the foregoing was delivered to  
counsel of record on the 26 day of August, 2010, via electronic mail.

W. Thomas Kellahin  
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706 Gonzales Road  
Santa Fe, New Mexico 87501-8744  
tkellahin@comcast.net



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J. Scott Hall

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