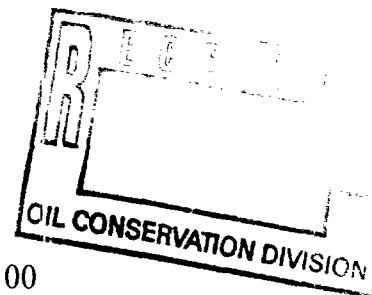


**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

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



CASE NO. 11100

IN THE MATTER OF THE APPLICATION
OF TEXACO EXPLORATION AND PRODUCTION
INC. FOR DOWNHOLE COMMINGLING,
SAN JUAN COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell, Carr, Berge & Sheridan, P.A.,
as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Texaco Exploration and Production Inc.
c/o Rached Hindi
3300 North Butler
Farmington, NM 87401
(505) 325-4397

name, address, phone and
contact person

ATTORNEY

William F. Carr, Esq.
Campbell, Carr, Berge & Sheridan, P.A.
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

OTHER PARTY

name, address, phone and
contact person

ATTORNEY

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

Texaco Exploration and Production Inc., applicant in the above-styled cause, seeks approval to downhole commingle Fulcher Kutz-Pictured Cliffs Pool gas production with Basin Dakota Pool gas production in the wellbore of its H.J. Loe Federal "B" Well No. 2-E, located 1700 feet from the North line and 1050 feet from the West line (Lot 5/Unit E) of Section 23, Township 29 North, Range 12 West.

OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

PROPOSED EVIDENCE

APPLICANT

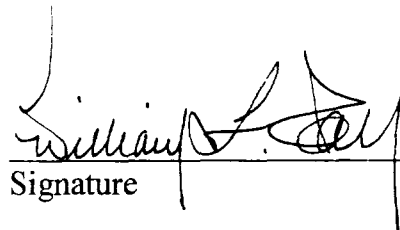
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Rached Hindi, Petroleum Engineer	20 Min.	Approximately 8

OTHER PARTY

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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PROCEDURAL MATTERS

(Please identify any procedural matters which need to be resolved prior to hearing)


Signature