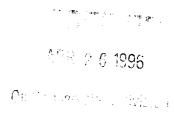
STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING: The Application of Read & Stevens, Inc. for an unorthodox infill gas well location and simultaneous dedication, Chaves County, New Mexico.



CASE NO. 11514

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Read & Stevens, Inc., by and through their undersigned counsel, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

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Read & Stevens, Inc. United Bank Plaza 410 N. Penn, Suite 1000 Roswell, New Mexico 88202

OPPOSITION OF OTHER PARTY

UMC Petroleum Corporation

<u>ATTORNEY</u>

Ernest L. Padilla
PADILLA LAW FIRM, P.A.
P. O. Box 2523
Santa Fe, New Mexico
87504-2523
(505) 988-7577

<u>ATTORNEY</u>

James Bruce, Esq. HINKLE. COX, EATON, COFFIELD & HENSLEY P. O. Box 2068 Santa Fe, New Mexico 87504-2068 (505) 982-4554

STATEMENT OF CASE

Applicant seeks approval of an unorthodox infill gas well location in the buffalo Valley-Pennsylvania (Prorated) Gas Pool for a well to be drilled 900 feet from the South line and 1980 feet from the West line (Unit O) of Section 26, Township 15 South, Range 27 East. Said well is to be simultaneous dedicated with the existing Harris Federal Well

No. 4, located at a standard gas well location in Unit "P" of said Section 26, to a standard 320-acre gas spacing and proration unit comprising the S/2 of said Section 26.

OPPOSITION OR OTHER PARTY

Unknown

PROPOSED EVIDENCE

<u>WITNESSES</u>	EST. TIME	EXHIBIT
<u>APPLICANT</u>		
James Brannigan (Geologist)	20 min.	2 Exhibits Cross section Isopach
Les Carnes (Petroleum Engineer)	20 min.	5 Exhibits drainage calculations AFE Economics of subject well

OPPOSITION

Unknown

PROCEDURAL MATTERS

None

PADILLA LAW FIRM, P. A.

Ernest L. Padilla

P. O. Box 2523

Santa Fe, New Mexico

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CERTIFICATE OF SERVICE

I hereby certify that I caused a true and correct copy of the foregoing Pre-Hearing Statement to be delivered to James Bruce, Esquire, Hinkle, Cox, Eaton, Coffield & Hensley, L.L.P., via facsimile at (505) 982-8623, this 26th day of April, 1996.

Ernest L. Padilla