

*Record in*  
*Case 12105*

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:

OIL CONSERVATION DIV.  
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APPLICATION OF TEXACO EXPLORATION  
AND PRODUCTION INC. FOR COMPULSORY  
POOLING, AN UNORTHODOX GAS WELL  
LOCATION AND NON-STANDARD SPACING  
AND PRORATION UNITS,  
EDDY COUNTY, NEW MEXICO.

CASE NO. 12051

**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 & Production Inc.  
c/o David Sleeper  
Post Office Box 2100  
Denver, CO 80201  
(303) 793-4512  
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

**INTERESTED PARTY**

Matador Petroleum Corporation  
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\_\_\_\_\_  
\_\_\_\_\_

**ATTORNEY**

W. Thomas Kellahin, Esq.  
Kellahin & Kellahin  
Post Office Box 2265  
Santa Fe, New Mexico 87504-2265  
(505) 982-4285

name, address, phone and  
contact person

**STATEMENT OF CASE**

**APPLICANT**

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

Texaco Exploration & Production Inc., applicant in the above-captioned case seeks an order pooling all mineral interests in the Upper Pennsylvanian formation and Morrow formation, Catclaw Draw-Morrow Gas Pool, underlying the following described acreage in irregular Section 1, Township 21 South, Range 25 East, in the following manner: Lots 11 through 14 and 17 through 28 to form a 555.74-acre non-standard gas spacing and proration unit for any and all formations and/or pools developed on 640-acre spacing within that vertical extent and, Lots 11 through 14 and Lots 19 through 22 to form a 288.19-acre non-standard spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within that vertical extent. The units are to be dedicated to the proposed Rocky Arroyo Federal Com Well No. 1 which is proposed at an unorthodox location 3200 feet from the North line and 660 feet from the West line (Unit L) of Section 1. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling the well.

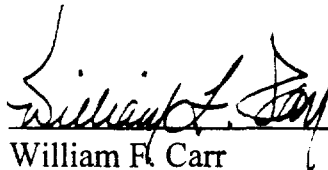
**OTHER PARTY**

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

**CERTIFICATE OF SERVICE**

I hereby certify that I have caused a true and correct copy of the foregoing Pre-Hearing Statement to be mailed on this 23<sup>rd</sup> day of November, 1998 to the following counsel of record:

W. Thomas Kellahin, Esq.  
Kellahin & Kellahin  
Post Office Box 2265  
Santa Fe, New Mexico 87504-2265

  
\_\_\_\_\_  
William F. Carr