

**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. 12478

**APPLICATION OF RICHARDSON OPERATING COMPANY
FOR AN UNORTHODOX WELL LOCATION,
SAN JUAN COUNTY, NEW MEXICO.**

00 AUG 36 AM 11:08
OIL CONSERVATION DIV.

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

Richardson Operating Company
Attn: Ms. Cathy Colby
1700 Lincoln, Suite 1700
Denver, CO 80203
(303) 830-8000

ATTORNEY

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

STATEMENT OF CASE

APPLICANT

Applicant seeks an exception to Division Rule 104.(C), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999, for its W.F. Federal "3" Well No. 1 (API No. 30-045-30167) recently drilled at an unorthodox Fruitland Sand/Pictured Cliffs gas well location 2495' from the South line and 1290' from the West line (Unit L) of Section 3, Township 29 North, Range 14 West. The SW/4 of Section 3 is to be dedicated to this well in order to form as standard 160-acre gas spacing and proration unit for the Undesignated Twin Mounds-Fruitland Sand-Pictured Cliffs Pool. This well is located approximately 3.5 miles east-northeast of Kirtland, New Mexico.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

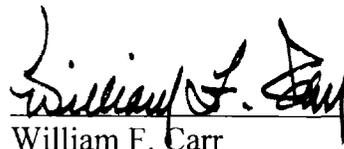
Brian Wood
(Landman)

Approx. 15 min.

Approx. 5

PROCEDURAL MATTERS

Richardson Operating Company has none at this time.

A handwritten signature in black ink, appearing to read "William F. Carr", is written over a horizontal line.

William F. Carr

Attorney for Richardson Operating Company