

**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. 10291

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION DIVISION  
ON ITS OWN MOTION FOR AN ORDER CREATING  
AND ASSIGNING DISCOVERY ALLOWABLES TO  
CERTAIN POOLS IN LEA COUNTY, NEW MEXICO.

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APR 12 1991

OIL CONSERVATION DIV.  
SANTA FE

**PRE-HEARING STATEMENT**

This Prehearing Statement is submitted by William F. Carr, as required by the Oil Conservation Division.

**APPEARANCES OF PARTIES**

APPLICANT

ATTORNEY

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

name, address, phone and  
contact person

OPPOSITION OR OTHER PARTY

ATTORNEY

Kaiser-Francis Oil Company \_\_\_\_\_  
c/o Jim Wakefield \_\_\_\_\_  
Post Office Box 21468 \_\_\_\_\_  
Tulsa, Oklahoma 74121-1468 \_\_\_\_\_  
(918) 491-4510 \_\_\_\_\_

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

name, address, phone and  
contact person

**STATEMENT OF CASE**

APPLICANT

The Division proposes the assignment of a discovery allowable of 37,930 barrels of oil to the Mitchell Energy Corporation's Geronimo Federal Well No. 1 located in Unit D of Section 31, Township 19 South, Range 33 East, N.M.P.M., to be assigned over a two year period.

OPPOSITION OR 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.)

Kaiser-Francis Oil Company believes the Geronimo Federal Well No. 1 may be in communication with other wells it operates in the area and that a discovery allowable will result in excessive drainage from its offsetting proportions.

**PROPOSED EVIDENCE**

APPLICANT

WITNESSES  
(Name and expertise)

EST. TIME

EXHIBITS

OPPOSITION

WITNESSES  
(Name and expertise)

EST. TIME

EXHIBITS

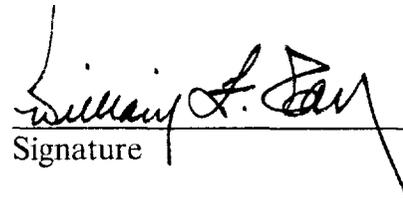
Jim Wakefield, Petroleum Engineer

15 Min.

Approximately 4

**PROCEDURAL MATTERS**

Request for a continuance to the May 2, 1991 Examiner Hearing Docket.

  
Signature

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

IN THE MATTER OF THE HEARING  
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CONSIDERING:

CASE NO. 10291

THE OIL CONSERVATION DIVISION'S OWN  
MOTION FOR AN ORDER CREATING AND  
ASSIGNING DISCOVERY ALLOWABLES TO  
CERTAIN POOLS IN LEA COUNTY,  
NEW MEXICO

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PRE-HEARING STATEMENT

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

APPEARANCE OF PARTIES

APPLICANT

(name, address, phone  
and contact person)

Mitchell Energy Corporation  
P.O. Box 4000  
The Woodlands, TX 77387  
Attn: Mark Stephenson  
(713) 377-5818

ATTORNEY

W. Thomas Kellahin  
Kellahin, Kellahin & Aubrey  
P.O. Box 2265  
Santa Fe, NM 87504  
(505) 982-4285

Pre-hearing Statement  
NMOCD Case No. 10291  
Page 2

OPPOSITION OR OTHER PARTY  
(name, address, phone  
and contact person)

Kaiser-Frances

ATTORNEY

William F. Carr  
CAMPBELL & BLACK, P.A.  
P.O. Box 2208  
Santa Fe, NM 87504  
(505) 988-4421

#### STATEMENT OF CASE

##### APPLICANT

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

Mitchell Energy Corporation has made a new discovery of  
a Delaware Oil Pool in Lea County, New Mexico which the  
Division has designated the Geronimo-Delaware Pool.

Kaiser-Frances has objected to the assignment of a  
bonus discovery oil allowable to the Mitchell discovery  
well.

**PROPOSED EVIDENCE**

APPLICANT

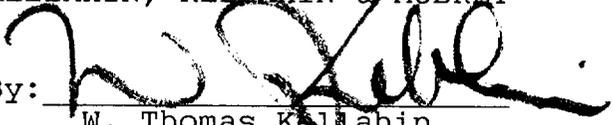
WITNESSES (name and expertise)	EST. TIME	EXHIBITS
Don Olive (geologist)	20 Min.	Lease/ production map Structure map Structure cross-section A-A' (E-W) Structural cross-section B-B' (N-S) Isopach map Electric log
Carl Richard (Reservoir Engineer)	20 Min.	Well history Tabulation of Production Correspondence Form C-123 Form C-116

**PROCEDURAL MATTERS**

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

As a matter of Division policy, Mitchell is entitled to the discovery oil allowable and the Kaiser-Frances objection should be dismissed.

KELLAHIN, KELLAHIN & AUBREY

By: 

W. Thomas Kellahin

P.O. Box 2265

Santa Fe, New Mexico 87504

(505) 982-4285

**KELLAHIN, KELLAHIN AND AUBREY**

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285  
TELEFAX (505) 982-2047

W. THOMAS KELLAHIN  
KAREN AUBREY

CANDACE HAMANN CALLAHAN

JASON KELLAHIN  
OF COUNSEL

April 12, 1991



Mr. William J. LeMay  
Oil Conservation Division  
Post Office Box 2088  
Santa Fe, New Mexico 87504

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OIL CONSERVATION DIVISION

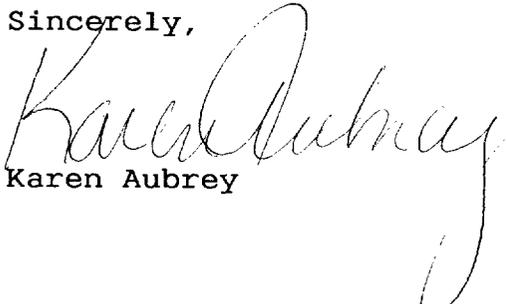
Re: In the Matter of the Hearing  
Called by the Oil Conservation  
Division on its own Motion for  
an Order Creating and Assigning  
Discovery Allowables to Certain  
Pools in Lea County, New Mexico  
NMOCD Case No. 10291

Dear Mr. LeMay:

On behalf of Mitchell Energy Corporation, I  
enclose an Entry of Appearance for the above referenced  
case which is scheduled for Examiner hearing on April  
18, 1991.

Mitchell desires that this case be continued to  
the next available docket which is May 2, 1991.

Sincerely,



Karen Aubrey

KA/tic

cc: Mark Stevenson  
William F. Carr, Esq.

STATE OF NEW MEXICO  
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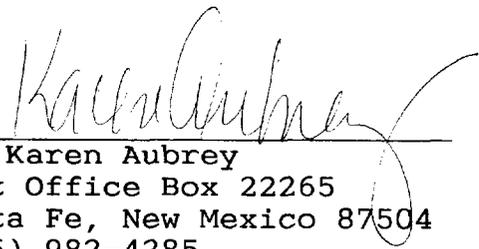
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OIL CONSERVATION DIVISION

ENTRY OF APPEARANCE

COMES NOW Karen Aubrey of KELLAHIN, KELLAHIN &  
AUBREY, and enters the firm's appearance on behalf of  
Mitchell Energy Corporation.

KELLAHIN, KELLAHIN & AUBREY

By: 

Karen Aubrey  
Post Office Box 22265  
Santa Fe, New Mexico 87504  
(505) 982-4285

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

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CERTAIN POOLS IN LEA COUNTY, NEW MEXICO.

OIL CONSERVATION DIV.  
SANTA FE

CASE NO. 10291

ENTRY OF APPEARANCE

COMES NOW CAMPBELL & BLACK, P.A., and hereby enters its appearance in  
the above referenced case on behalf of Kaiser-Francis Oil Company.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By: 

WILLIAM F. CARR  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
Telephone: (505) 988-4421

ATTORNEYS FOR KAISER-  
FRANCIS OIL COMPANY