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KENNETH R. BRANDT (1946 - 1981)

August 17, 1990

PLEASE REPLY TO SANTA FE

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

HAND DELIVERED

Re: NMOCD Case No. 10048 - Application of Great Western
Drilling Company For Non-Standard Gas Proration Unit, San
Juan County, New Mexico

Dear Mr. LeMay:

Enclosed are the original and one copy of the Applicant's Pre-
Hearing Statement in the above matter.

Very truly yours,

J. Scott Hall
J. Scott Hall

JSH/rom
cc: Paul Cooter, Esq.

RECEIVED

AUG 17 1990

OIL CONSERVATION DIVISION

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. 10048

APPLICATION OF GREAT WESTERN
DRILLING COMPANY FOR A NON-STANDARD
GAS PRORATION UNIT, SAN JUAN COUNTY,
NEW MEXICO

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OIL CONSERVATION DIVISION

PRE-HEARING STATEMENT

This prehearing statement is submitted by Applicant
as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Great Western Drilling Company

P. O. Box 1659

Midland, TX 79702

(915) 682-5241

Pat L. SHanahan

name, address, phone and
contact person

OPPOSITION OR OTHER PARTY

Northwest Pipeline Corporation

name, address, phone and
contact person

ATTORNEY

J. Scott Hall

Miller, Stratvert,
Torgerson & Schlenker, P.A.

Suite 303, 125 Lincoln Ave.

Santa Fe, NM 87501

(505) 989-9614

ATTORNEY

Paul Cooter

Rodey, Dickason, Sloan,
Akin & Robb

P. O. Box 1357

Santa Fe, NM 87504-1357

(505) 984-0100

STATEMENT OF CASE

APPLICANT

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

Applicant seeks approval of non-standard gas spacing and proration unit for the Fruitland Coal formation. Unit is non-standard due to irregular section acreage.

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.)

PROPOSED EVIDENCE

APPLICANT

| WITNESSES (Name and expertise) | EST. TIME | EXHIBITS |
|-----------------------------------|-----------|---------------------------|
| Pat L. Shanahan Landman | 20 min. | ownership & acreage plats |
| Geologist | 15 min. | isopach & contour maps |
| Petroleum Engineer | 15 min. | production detail |

OPPOSITION

| WITNESSES (Name and expertise) | EST. TIME | EXHIBITS |
|-----------------------------------|-----------|----------|
|-----------------------------------|-----------|----------|

PROCEDURAL MATTERS

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

E. S. Overhall

Signature

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
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CASE NO. 10048

APPLICATION OF GREAT WESTERN
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STANDARD GAS PRORATION UNIT,
SAN JUAN COUNTY, NEW MEXICO.

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OIL CONSERVATION DIV.
SANTA FE

APPEARANCES OF PARTIES

OPPOSITION OR OTHER PARTY

Paul E. Pratt
Northwest Pipeline Corporation
P. O. Box 8900
Salt Lake City, UT 84108-0900
(801)584-6853

ATTORNEY

Paul A. Cooter
Rodey, Dickason, Sloan,
Akin & Robb, P.A.
P. O. Box 1357
Santa Fe, NM 87504
(505)984-0100

STATEMENT OF CASE

OPPOSITION OR OTHER PARTY

Northwest Pipeline Corporation opposes the application of Great Western Drilling Company for the reason(s) that the non-standard proration now proposed varies from the original (standard) proration unit dedicated by the applicant to its J. E. Decker Well No. 11 as set forth in Form C-102 on file with this Division when that well was drilled and completed. In addition thereto, applicant's proposed non-standard proration unit (i) would not protect the correlative rights of the offset operators and owners of the adjacent tracts, but (ii) cause both economic and physical waste. The same is not in the best interest of conservation.

PROPOSED EVIDENCE

OPPOSITION

| WITNESSES | EST. TIME | EXHIBITS |
|--|------------|--|
| Jeff Vaughn, Superintendent, Joint Interests and Acquisitions, Northwest Pipeline Corporation Farmington, New Mexico | 30 minutes | 1. Plat showing Northwest Pipeline's proposal for the location of wells on standard units in the immediate area 2. Plat of Great Western's non- standard unit, with wells at standard locations 3. Plat of Great Western's non- standard unit with necessarily revised non-standard well locations 4. Isopach Map of the immediate area 5. Structure Map 6. Various electric wire line logs for the wells drilled in Sections 8, 9 and 17 7. This Division's Form C-102 (well location and acreage dedication plat) for the S/2 Section 7 8. This Division's Form C-102 (well location and acreage dedication plat) for the S/2 Section 8, as originally filed 9. This Division's Form C-102 (well |

location and acreage
dedication plat) for
the S/2 Section 9

10. This Division's
Form C-102 (well
location and acreage
dedication plat) for
the E/2 Section 16

11. This Division's
Form C-102 (well
location and acreage
dedication plat) for
the W/2 Section 16

12. This Division's
Form C-102 (well
location and acreage
dedication plat) for
the E/2 Section 17

13. This Division's
Form C-102 (well
location and acreage
dedication plat) for
the W/2 Section 17

14. This Division's
Form C-102 (well
location and acreage
dedication plat) for
the E/2 Section 18

15. This Division's
Form C-102 (well
location and acreage
dedication plat) for
the W/2 Section 18

Darrell L. Gillen,
Land Manager,
Northwest Pipeline
Corporation,
Salt Lake City, Utah

15 minutes

16. Letter dated
April 24, 1990 from
Mr. Gillen (Northwest
Pipeline Corporation)
to Pat Shanahan
(Great Western
Drilling Company)

PROCEDURAL MATTERS

Northwest Pipeline Corporation may, or may not file a motion prior to the commencement of the hearing relating to the propriety of the relief sought by the applicant. It reserves the right to do so.

RODEY, DICKASON, SLOAN, AKIN & ROBB, P.A.

By _____
Paul A. Cooter
P. O. Box 1357
Santa Fe, New Mexico 87504-1357
(505) 984-0100

JOHN D. ROBB
JAMES C. RITCHIE
WILLIAM C. SCHAB
ROBERT M. ST. JOHN
JOSEPH J. MULLINS
DUANE C. GILKEY
MARK K. ADAMS
ROBERT G. MCCORKLE
PETER G. PRINA
BRUCE HALL
JOHN P. SALAZAR
WILLIAM S. DIXON
JOHN R. BURTON
REX D. THROCKMORTON
JONATHAN W. HEWES
GENE C. WALTON
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W. ROBERT LASATER, JR.
MARK C. MEIERING
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JO SEXTON BRAYER
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PATRICK M. SHAY
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DAVID C. DAVENPORT, JR.

DEBRA ROMERO THAL
ELLEN G. THORNE
JAMES O. BROWNING
TRACY E. MCGEE
CHARLES E. STUCKEY
HENRY M. BOHNHOFF
NEAL W. HARDIN
JOSEPH B. ROCHELLE
SCOTT D. GORDON
MICHAEL J. CONDON
SUSAN L. SNYDER
CHARLES K. PURCELL
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THURMAN W. MOORE III
STEVEN G. KOPELMAN
PAUL R. KOLLER
JOY READ
JAMES P. BIEG
JAY B. SIMONSON
JAY D. HILL
CHARLES J. VIGIL
MARY P. KELEHER
JAMES E. BURKE

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August 17, 1990

OF COUNSEL
DON L. DICKASON
WILLIAM A. SLOAN
JACKSON G. AKIN
RAY H. RODEY

PEARCE C. RODEY (1889-1958)

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WRITER'S DIRECT NUMBER

Oil Conservation Division
Energy, Minerals & Natural
Resources Department
P. O. Box 2088
State Land Office Building
Santa Fe, New Mexico

Re: Case 10048

Gentlemen:

Would you please file the enclosed Pre-Hearing Statement in the captioned case. A copy of the statement has been served upon J. Scott Hall, 125 Lincoln Avenue, Suite 303, Santa Fe, New Mexico.

Appreciating your courtesy, I am

Very truly yours,

RODEY, DICKASON, SLOAN, AKIN & ROBB, P.A.

By: Paul A. Cooter

PAC/bwh
Enclosure

RECEIVED

AUG 17 1990

OIL CONSERVATION DIV.
SANTA FE