

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 Permitted p.m. 9

NMOCD CASE NO. 10146

APPLICATION OF GIANT EXPLORATION
& PRODUCTION COMPANY FOR
COMPULSORY POOLING
SAN JUAN COUNTY, NEW MEXICO

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Giant Exploration & Production Company as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Giant Exploration &
Production Company
Post Office Box 2810
Farmington, New Mexico 87499
505-326-3325
name, address, phone
and contact person

ATTORNEY

Tommy Roberts
Post Office Box 1020
Farmington, New Mexico 87499
505-325-1801

OPPOSITION OR OTHER PARTY

Phillips Petroleum Company
Post Office Box 1967
Houston, Texas 77251-1967
713-669-3612
name, address, phone
and contact person

ATTORNEY

Kellahin, Kellahin and Aubrey
Post Office Box 2265
Santa Fe, New Mexico 87504
505-982-4285

STATEMENT OF CASE

APPLICANT

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

Giant Exploration & Production Company seeks an order pooling all of Phillips Petroleum Company's interest in the Basin Fruitland Coal (Gas) Pool underlying the S/2NE/4 of Section 5, T25N-R12W, N.M.P.M., San Juan County, New Mexico, to complete the forming of a standard 319.92 acre gas spacing and proration unit for said pool consisting of the E/2 of Section 5, T25N-R12W, N.M.P.M., to be dedicated to its Bisti Coal 5 Com. No. 1 Well drilled at a standard coal gas well location 850 feet from the North line and 1630 feet from the East line (Unit B). Giant Exploration & Production Company requests that such Order designate Giant Exploration & Production Company as the operator of the this well and that it provide for the recovery by Giant Exploration & Production Company and other joining parties of the costs of drilling, completing, equipping and operating the proposed well, together with a reasonable charge for risk involved in drilling the well. In addition, Giant Exploration & Production Company requests that such Order establish a reasonable charge for the supervision of the well during the drilling and production stages.

OPPOSITION OR OTHER PARTY

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

Not Applicable

PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Steven K. Smith, Land Manager	1/2 Hour	Proof of Notice Land Plat Operating Agreement dated October 26, 1990 (covering Bisti Coal 5 Com. #1 well) Authority for Expenditure (AFE) Correspondence Other Exhibits not yet determined
John C. Corbett, Vice-President - Exploration	1/2 Hour	Operating Agreement dated March 26, 1990 (covering Carson Unit 323-15 well) Authority for Expenditure (AFE) Logs on the well Other Exhibits not yet determined

OPPOSITION

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

Unknown at this time.

PROCEDURAL MATTERS

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

None

Tommy Roberts

TOMMY ROBERTS, Attorney for
Giant Exploration & Production Company