

LAW OFFICES

TANSEY, ROSEBROUGH, GERDING & STROTHER, P.C.

621 WEST ARRINGTON
FARMINGTON, NEW MEXICO 87401

TELEPHONE: (505) 325-1801

RECEIVED
OIL CONSERVATION DIVISION
MARCH 15 1991 9 59

TELECOPIER:
(505) 325-4675

OF COUNSEL
Charles M. Tansey

Douglas A. Echols
Richard L. Gerding
Randall T. Holmes
Connie R. Martin
Michael T. O'Loughlin
James B. Payne
Tommy Roberts
Haskell D. Rosebrough
Robin D. Strother
Karen L. Townsend

Mailing Address:
P. O. Box 1020
Farmington, N.M. 87499

March 15, 1991

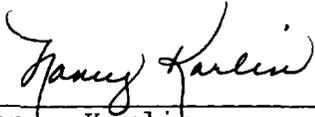
State of New Mexico
Energy, Minerals & Natural Resources Department
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501-2088

Re: Pre-Hearing Statement - Case No. 10263
Application for Compulsory Pooling
Giant Exploration & Production Company
San Juan County, New Mexico

Gentlemen:

Enclosed please find an original and two copies of Pre-Hearing Statement regarding the above-referenced matter, which has been placed on the Examiner Hearing Docket scheduled for Thursday, March 21, 1991 in Santa Fe, New Mexico. The Pre-Hearing Statement was previously transmitted to you via Facsimile this date.

Sincerely,



Nancy Karlin,
Secy. to TOMMY ROBERTS

:nk
Enclosures

cc w/encl: Paul M. Lehrman
Giant Exploration & Production Company

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:

NMOCD CASE NO.10263

**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

ATTORNEY

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

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

OPPOSITION OR OTHER PARTY

ATTORNEY

Meridian Oil Inc.
Post Office Box 4289
Farmington, New Mexico 87499
505-327-9700
name, address, phone
and contact person

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 Meridian Oil Inc.'s interest in the Basin Fruitland Coal (Gas) Pool underlying the NE/4 of Section 30, T25N-R12W, N.M.P.M., San Juan County, New Mexico, to complete the forming of a standard 320.00 acre gas spacing and proration unit for said pool consisting of the E/2 of Section 30, T25N-R12W, N.M.P.M., to be dedicated to its Bisti Coal 30 Com. No. 1 Well drilled at a standard coal gas well location 790 feet from the North line and 790 feet from the East line (Unit A). 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
Paul M. Lehrman, Landman	1/2 Hour	Proof of Notice Land Plat (Proposed Unit) Operating Agreement dated November 27, 1990 (covering Bisti Coal 30 Com. #1 well) Authority for Expenditure (AFE) Correspondence Other Exhibits not yet determined
John C. Corbett, Vice-President - Exploration	1/2 Hour	Bisti Area Map Location Map Isopach map Authority for Expenditure (AFE) Well Log from Area 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