

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

RECEIVED

MAY 14 1991

OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING THE APPLICATION OF
FINA OIL & CHEMICAL COMPANY FOR
COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO

Case No. 10266

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted on behalf of Fina Oil & Chemical Company as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

Applicant: Fina Oil & Chemical Company

Contact

Person: Kevin T. Pfister
Post Office Box 2990
Midland, Texas 79702
(915) 688-0600

Attorney: W. Perry Pearce
Montgomery & Andrews, P.A.
Post Office Box 2307
Santa Fe, New Mexico 87504
(505) 982-3873

APPLICANT'S STATEMENT OF THE CASE

Applicant in this case seeks the pooling of all mineral interests below a depth of 10,907 feet underlying the E/2 of Section 28, Township 16 South, Range 34 East, N.M.P.M., Lea County, New Mexico, to form a standard 320 gas spacing and proration unit including a 320-acre gas spacing and proration unit in the South Kemnitz Atoka-Morrow Gas Pool. Applicant has attempted to reach voluntary agreement with other interest owners underlying the E/2 of this Section and has been unable to do so.

In addition to pooling these mineral interests, it is necessary for the Division to determine the reasonable costs of

drilling and completing this well, the overhead and administrative costs which are reasonable for this well during drilling and operations and a reasonable charge for the risks involved in drilling said well to be applied to parties who do not participate drilling of this well. Applicant will seek to be named operator of this well.

APPLICANT'S PROPOSED EVIDENCE

Applicant proposes to present three witnesses at the hearing of this case; a landman, a geologist and an engineer. Applicant at this time believes that fifteen or fewer exhibits will be submitted and that the direct presentation of this case can be completed in 45 minutes.


PROCEDURAL MATTERS

Applicant is not aware of any procedural matters which need to be resolved prior to the hearing of this case.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By


W. Perry Pearce
Post Office Box 2307
Santa Fe, New Mexico 87504-2307
(505) 982-3873

Attorneys for Fina Oil & Chemical Co.

[WPP/117]