

**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. 10389

**RECEIVED**

APPLICATION OF CHI OPERATING INC.  
FOR COMPULSORY POOLING,  
ROOSEVELT COUNTY, NEW MEXICO.

SEP 13 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**

Chi Operating Inc \_\_\_\_\_  
c/o Bill Seltzer \_\_\_\_\_  
214 W. Texas Avenue, Suite 507 \_\_\_  
Midland, Texas 79701 \_\_\_\_\_

(915) 684-5381 \_\_\_\_\_  
name, address, phone and  
contact person

**ATTORNEY**

William F. Carr \_\_\_\_\_  
Campbell, Carr, Berge & Sheridan\_ \_\_\_\_\_  
Post Office Box 2208 \_\_\_\_\_  
Santa Fe, New Mexico 87504 \_\_\_\_\_

(505) 988-4421 \_\_\_\_\_

**OPPOSITION OR OTHER PARTY**

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\_\_\_\_\_

\_\_\_\_\_  
name, address, phone and  
contact person

**ATTORNEY**

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**STATEMENT OF CASE**

APPLICANT

Chi Operating Inc., applicant in the above-captioned cause, seeks an order pooling all mineral interests from the surface to the base of the San Andres formation underlying Lots 1 and 2, S/2 NW/4 SW/4 (W/2 equivalent) of Section 5, Township 8 South, Range 37 East, forming a 319.09-acre gas spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 320-acre spacing, which presently is applicable to only gas wells drilled in the Undesignated Bluit-San Andres Associated Pool. Said unit is to be dedicated to a well to be drilled at a standard gas well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

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**

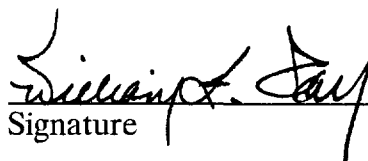
APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Bill Seltzer, (land)	20 Min.	Approximately 5
Bill Bergman, (practical oil man)	10 Min.	Approximately 3

OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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**PROCEDURAL MATTERS**

  
Signature

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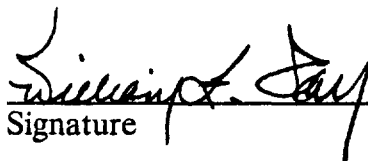
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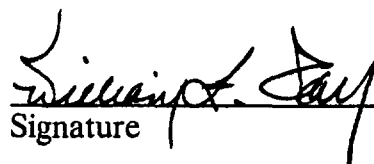
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