

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:

APPLICATION OF ARCH PETROLEUM INC.
FOR A NON-STANDARD GAS SPACING AND
PRORATION UNIT AND AN UNORTHODOX GAS
WELL LOCATION IN THE JALMAT GAS POOL
AND AN UNORTHODOX LANGLIE-MATTIX LOCATION,
LEA COUNTY, NEW MEXICO.

Case No. 13343

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by
the Oil Conservation Division.

APPEARANCES

APPLICANT

Arch Petroleum Inc.
Post Office Box 10340
Midland, Texas 79702

Attention: Thomas R. Land
(432) 685-8126

APPLICANT'S ATTORNEY

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT

Fulfer Oil & Cattle, LLC

OPPONENT'S ATTORNEY

J.E. Gallegos

STATEMENT OF THE CASE

APPLICANT

Applicants seek approval of (i) a non-standard gas spacing and
proration unit comprised of the SW $\frac{1}{4}$ of Section 16, Township 23
South, Range 37 East, NMPM, to be dedicated in the Jalmat Gas Pool
to the proposed Kelly Well No. 5, to be located 910 feet from the
south line and 1230 feet from the west line of the section, and
(ii) an unorthodox oil well location for the same well in the
Langlie-Mattix Pool, with the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of the section dedicated to
the well in that zone.

OPPONENT

PROPOSED EVIDENCE**APPLICANT**

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Thomas R. Land (landman)	15 min.	Six
Glenn Curry (geologist)	20 Min.	Four
Mark Kelley (engineer)	15 min.	Three

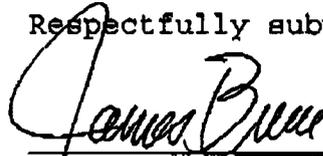
OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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PROCEDURAL MATTERS

-None-

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Arch Petroleum
Inc.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served via facsimile transmission upon the following counsel of record this 1st day of October, 2004:

J.E. Gallegos
Gallegos Law Firm
Building 300
460 St. Michael's Drive
Santa Fe, New Mexico 87505
(505) 986-0741



James Bruce

BEFORE THE OIL CONSERVATION DIVISION
DEPARTMENT OF ENERGY AND MINERALS
STATE OF NEW MEXICO

2009 SEP 30 AM 11 15

APPLICATION OF ARCH PETROLEUM INC. FOR
A NON-STANDARD GAS SPACING UNIT AND AN
UNORTHODOX GAS WELL LOCATION IN THE
JALMAT GAS POOL AND AN UNORTHODOX
LANGLIE-MATTIX OIL WELL LOCATION, LEA
COUNTY, NEW MEXICO.

No. 13343

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Fulfer Oil & Cattle Co. ("Fulfer") in accordance with Rule 1208.B., 19 NMAC 15.N, in opposition to the Application of Arch Petroleum Inc., in this proceeding.

APPEARANCES OF PARTIES

APPLICANTS

Arch Petroleum, Inc.
Midland, Texas

Attorney

James Bruce
P.O. Box 1056
Santa Fe, NM 87504-1056

OBJECTOR

Fulfer Oil & Cattle Co.

J.E. Gallegos
Michael J. Condon
Gallegos Law Firm, P.C.
460 St. Michael's Drive, Bldg. 300
Santa Fe, NM 87505
(505) 983-6686

To Fulfer's knowledge, no other party has entered an appearance or filed opposition in this matter.

FULFER'S STATEMENT OF THE CASE

Applicants purpose to establish a non-standard 160 acre spacing unit at an unorthodox location in the SW/4 of Section 16, T23S, R37E, NMPM. Fulfer believes

that creation of such spacing unit would constitute a violation of Jalmat Gas Pool Special Rules, that the well density that will result is not scientifically justified and will cause waste and that the location is intended to violate Fulfer's correlative rights.

PROPOSED EVIDENCE

FULFER

MAY-CALL WITNESS (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Norman Nuss Petroleum Engineer	30 min.	As needed for rebuttal

Respectfully submitted,

GALLEGOS LAW FIRM, P.C.

By  _____

J.E. GALLEGOS
MICHAEL J. CONDON

460 St. Michael's Drive, Bldg. 300
Santa Fe, New Mexico 87505
(505) 983-6686

Attorneys for Fulfer Oil & Cattle Co.

CERTIFICATE OF SERVICE

I hereby certify that I have caused a true and correct copy of the foregoing to be hand-delivered on this 30th day of September, 2004 to the following:

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504-1056



J.E. GALLEGOS