

**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 SAN JUAN RESOURCES  
OF COLORADO, INC. TO AMEND DIVISION  
ORDER R-11926 TO INCLUDE SUBSEQUENT  
OPERATIONS AND AN OPTIONAL "INFILL"  
GAS WELL PROVISIONS (COMPULSORY POOLING)  
SAN JUAN COUNTY, NEW MEXICO**

**CASE NO. 13391**

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by San Juan Resources of Colorado, Inc.  
as required by the New Mexico Oil Conservation Division.

**APPEARANCES OF THE PARTIES**

**APPLICANT**

San Juan Resources of Colorado, Inc.

**ATTORNEY**

W Thomas Kellahin, Esq.  
P. O. Box 2265  
Santa Fe, NM 87504  
Phone 505-982-43285  
Fax 505-982-2047

**OPPONENT**

Robert L. Mosley, et al.

**ATTORNEY**

J. Scott Hall, Esq.  
Miller Law Firm  
P. O. Box 1986  
Santa Fe, NM 87504

### STATEMENT OF THE CASE

San Juan Resources of Colorado, Inc., as applicant, in accordance with Division Rule 1207.A(1)(b), seeks an order amending this compulsory pooling order to provide for subsequent operations and the inclusion of its Tecumseh Well No. 1-E, to be located in Unit L as a well subject to this compulsory pooling order that pooled all mineral interests from the based of the Pictured Cliffs formation to the base of the Dakota formation underlying the S/2 of Irregular Section 18, T30N, R11W, NMPM, San Juan County, New Mexico, forming a standard 320-acre gas spacing and proration unit for any production such production.

Also to be considered will be the subsequent operations provisions and the costs of drilling and completion this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, and the continuing the designation of San Juan Resources of Colorado, Inc. as the operator of the well and a 200% charge for risk involved in this well.

Applicant has been unable to obtain a voluntary agreement from all of the working interest owners involved. With the exception of the Mosley Group, no other parties that are to be pooled have responded.

Robert L. Mosley, on behalf of the Mosley Group, has declined to sign a JOA, but instead desires to be a consenting parties pursuant to a compulsory pooling order and will elect to pre-pay their share of well costs as required by such an pooling order.

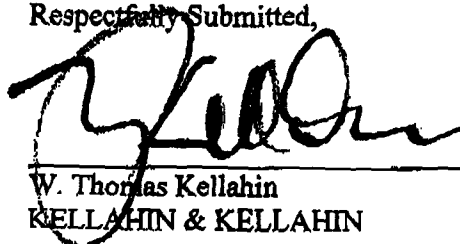
### PROPOSED EVIDENCE

WITNESSES	EST. TIME	EST. EXHIBITS
Jerry McHugh, Jr. President and owner of San Juan Resources of Colorado, Inc.	30-45 minutes	@ 12

### PROCEDURAL MATTERS

None

Respectfully Submitted,



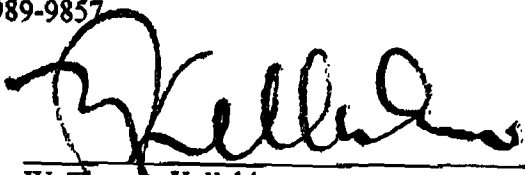
W. Thomas Kellahin  
KELLAHIN & KELLAHIN

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San Juan Resources of Colorado, Inc.  
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**CERTIFICATE OF SERVICE**

On December 31, 2004, the undersigned cause to be delivered by facsimile a copy of this pleading to all counsel of record:

J. Scott Hall, Esq. 505-989-9857

  
\_\_\_\_\_  
W. Thomas Kellahin

2004 DEC 23 AM 11 16

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

**IN THE MATTER OF THE APPLICATION  
OF SAN JUAN RESOURCES OF COLORADO, INC.  
TO AMEND DIVISION ORDER R-11926  
(COMPULSORY POOLING) TO INCLUDE  
SUBSEQUENT OPERATIONS AND AN  
OPTIONAL INFILL GAS WELL PROVISION,  
SAN JUAN COUNTY, NEW MEXICO**

**CASE NO. 13391**

**PRE-HEARING STATEMENT**

This Pre-Hearing Statement is submitted by Miller Stratvert P.A. (J. Scott Hall) on behalf of Robert L. Mosley, Janet Mosley, Leonard Mosley, Leona Mosley, Mary G. Mosley and Betty Nelms as required by the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

San Juan Resources of Colorado, Inc.

**APPLICANT'S ATTORNEY**

W. Thomas Kellahin, Esq.  
Post Office Box 2265  
Santa Fe, New Mexico 87504

**OPPONENT**

Robert L. Mosley, et al.

**OPPONENT'S ATTORNEY**

J. Scott Hall, Esq.  
Miller Stratvert P.A.  
Post Office Box 1986  
Santa Fe, New Mexico 87504-1986

## STATEMENT OF THE CASE

Applicant seeks the amendment of compulsory pooling order No. R-11926 to incorporate "subsequent operations" provisions subsequent to the drilling and completion of the Tecumseh Well No. 1 and preparatory to the drilling of the proposed Tecumseh Well No. 1-E infill well.

### OPPOSITION OR OTHER PARTY:

The unleased mineral interests of Robert L. Mosley, et al. were previously pooled for the subject gas spacing and proration unit prior to the drilling of the Tecumseh Well No. 1. Robert L. Mosley, et al. will appear at the hearing to obtain clarification of the operation of the proposed amendments to Order No. R-11926 and to establish that pooled parties and interest owners who went "non-consent" on the drilling of the Tecumseh No. 1 well will be afforded the opportunity to participate in the drilling of the Tecumseh No. 1-E and avoid the assessment of risk penalties.

## PROPOSED EVIDENCE

### WITNESSES:

Est. Time	No. of Exhibits
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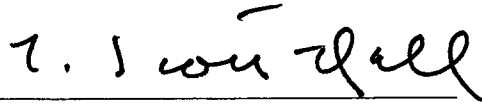
None on direct.
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Approximately 6 for cross-examination of the Applicant's witnesses.
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## PROCEDURAL MATTERS

MILLER STRATVERT P.A.

By:

  
J. Scott Hall  
Post Office Box 1986  
Santa Fe, New Mexico 87504-1986  
(505) 989-9614  
Attorneys for Bob L. Mosley, Janet Mosley, Leonard Mosley, Leona Mosley, Mary G. Mosley and Betty Nelms

**Certificate of Service**

I hereby certify that a true and correct copy of the foregoing was faxed to counsel of record on the 23rd day of December, 2004, as follows:

W. Thomas Kellahin  
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Gail MacQuesten  
New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87504  
(505) 476-3462-Fax

*J. Scott Hall*

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J. Scott Hall