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Reply To: Santa Fe Office

www.montand.com 2011 MAY 19 P 4: 0b

May 19, 2011

Ms. Florene Davidson New Mexico Oil Conservation Division 1220 S. St. Francis Drive Santa Fe. NM 87505

Hand Delivered

NMOCD Case No. 14653: Application of Energen Resources Corporation for Compulsory Pooling and an Unorthodox Surface Location, Rio Arriba County, New Mexico

Dear Ms. Davidson:

On behalf of Energen Resources Corporation, enclosed is an original and one copy Energen's Pre-Hearing Statement.

Very truly yours,

Karen Williams

Assistant to J. Scott Hall

Karen William

JSH:kw **Enclosure**

280864

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

2011 MAY 19 P 4: 06

IN THE MATTER OF THE APPLICATION OF ENERGEN RESOURCES CORPORATION FOR COMPULSORY POOLING AND AN UNORTHODOX SURFACE LOCATION, RIO ARRIBA COUNTY, NEW MEXICO

Case No. 14653

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Energen Resources Corporation as required by the Oil Conservation Division.

APPEARANCES

APPLICANTS

Energen Resources Corporation 2010 Afton Place

Farmington, NM 87401

APPLICANT'S ATTORNEY

J. Scott Hall

Montgomery & Andrews

P.O. Box 2307

Santa Fe, New Mexico 87504-2307

(505) 986-2646

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Energen Resources Corporation seeks an order pooling all mineral interests in the Fruitland Coal formation, (Basin-Fruitland Coal Gas Pool) underlying lots 5, 6, 7, 8 and the S/2 S/2 of irregular Section 8, Township 32 North, Range 4 West, NMPM, Rio Arriba County, New Mexico, forming a 274.08 acre ± spacing and proration unit to be dedicated to the Carracas 8 B

W.

Well No. 16-H. Pursuant to the provisions of Order No. R-13119, the well will be directionally drilled from an unorthodox surface location 2095 feet from the South line and 119 feet from the West line in adjoining Section 9, penetrating the Fruitland Coal formation at a point 1,400 feet from the South line and 400 feet from the East line of Section 8, with a standard bottom hole location 1,400 feet from the South line and 760 feet from the West line of Section 8, Township 32 North, Range 4 West, NMPM, Rio Arriba County, New Mexico. 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 Energen Resources Corporation as operator of the well and a charge for risk involved in drilling said well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES EST. TIME EXHIBITS

Dave Poage, Landman 10 Minutes 4

<u>OPPONENT</u> <u>EST. TIME</u> <u>EXHIBITS</u>

PROCEDURAL MATTERS

MONTGOMERY & ANDREWS, P.A.

| By: | 1. I wan dall |
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| - | J. Scott Hall, Esq. |
| Post (| Office Box 2307 |
| Santa | Fe, New Mexico 87504 |
| (505) | 982-3873 |
| Attori | neys for Energen Resources Corporation |
| | |

Certificate of Service

| | I hereby certify that a true and correct copy of the foregoing was delivered to |
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| cou | nsel of record on the day of May, 2011, via electronic mail. |
| N/A | |
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| | J. Scott Hall |
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