

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

**APPLICATION OF APACHE CORPORATION
FOR A HORIZONTAL SPACING UNIT
AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 16500

**APPLICATION OF APACHE CORPORATION
FOR A HORIZONTAL SPACING UNIT
AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 16501

**APPLICATION OF APACHE CORPORATION
FOR A HORIZONTAL SPACING UNIT
AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 16502

APACHE CORPORATION'S PRE-HEARING STATEMENT

Apache Corporation ("Apache") submits this Pre-Hearing Statement for the above-referenced cases pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Apache Corporation

ATTORNEY

Jennifer L. Bradfute
Deana M. Bennett
Zoë E. Lees
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STATEMENT OF THE CASE

APPLICANT:

In Case No. 16500, Apache seeks an order from the Division: (1) creating a 240-acre, more or less, spacing and proration unit in the Bone Spring formation, comprised of the E/2 E/2 of Section 22 and the E/2 E/2 S/2 of Section 15, Township 24 South, Range 32 East, Lea County, New Mexico; and, (2) pooling all mineral interests in the Bone Spring formation underlying this proposed spacing and proration unit. This proposed spacing and proration unit will be the unit for the Ghost Rider 22-15 Federal 201H and 202H wells, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 30 miles west-northwest of Jal, New Mexico.

In Case No. 16501, Apache seeks an order from the Division: (1) creating a 240-acre, more or less, spacing and proration unit in the Bone Spring formation, comprised of the W/2 E/2 of Section 22 and the W/2 E/2 S/2 of Section 15, Township 24 South, Range 32 East, Lea County, New Mexico; and, (2) pooling all mineral interests in the Bone Spring formation underlying this proposed spacing and proration unit. This proposed spacing and proration unit will be the unit for the Ghost Rider 22-15 Federal 203H and 204H wells, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 30 miles west-northwest of Jal, New Mexico.

In Case No. 16502, Apache seeks an order from the Division: (1) creating a 240-acre, more or less, spacing and proration unit in the Bone Spring formation, comprised of the E/2 W/2 of Section 22 and the E/2 W/2 S/2 of Section 15, Township 24 South, Range 32 East, Lea County, New Mexico; and, (2) pooling all mineral interests in the Bone Spring formation underlying this proposed spacing and proration unit. This proposed spacing and proration unit will be the unit for the Ghost Rider 22-15 Federal 205H and 206H wells, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 30 miles west-northwest of Jal, New Mexico.

PROPOSED EVIDENCE

APPLICANT

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: TBD	Approx. 30 minutes	Approx. 8
Geologist: TBD	Approx. 30 minutes	Approx. 6

PROCEDURAL ISSUES

If there are not objections to these matters, Apache intends to present them by affidavit and would like to consolidate these cases at hearing, if possible.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: 

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