

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:

APPLICATIONS OF KAISER-FRANCIS OIL
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

Case Nos. 20286 - 20290

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Kaiser-Francis Oil Company as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Kaiser-Francis Oil Company
P.O. Box 21468
Tulsa, Oklahoma 74121

Attention: Michael Maxey

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OTHER PARTIES

OTHER PARTIES' ATTORNEYS

STATEMENT OF THE CASE

APPLICANT

Case No. 20286; Kaiser-Francis Oil Company seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit in the Bone Spring formation underlying the N/2SE/4 of Section 20 and the N/2SW/4 of Section 21, Township 23 South, Range 28 East, NMPM. The unit will be dedicated to the Loving Townsite 2021 3BS Well No. 1H, with a first take point in the NW/4SE/4 of Section 20 and a final take point in the NE/4SW/4 of Section 21.

Case No. 20287; Kaiser-Francis Oil Company seeks an order and pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit in the Bone Spring formation underlying the S/2SE/4 of Section 20 and the S/2SW/4 of Section 21, Township 23 South, Range

28 East, NMPM. The unit will be dedicated to the Loving Townsite 2021 3BS Well No. 2H, with a first take point in the SW/4SE/4 of Section 20 and a final take point in the SE/4SW/4 of Section 21.

Case No. 20288; Kaiser-Francis Oil Company seeks an order pooling all mineral interests in the Delaware formation underlying a horizontal spacing unit underlying the N/2SE/4 of Section 20 and the N/2SW/4 of Section 21, Township 23 South, Range 28 East, NMPM. The unit will be dedicated to the Loving Townsite 2021 LBC Well No. 1H, with a first take point in the NW/4SE/4 of Section 20 and a final take point in the NE/4SW/4 of Section 21.

Case No. 20289; Kaiser-Francis Oil Company seeks an order pooling all mineral interests in the Delaware formation underlying a horizontal spacing unit in the Delaware formation underlying the S/2SE/4 of Section 20 and the S/2SW/4 of Section 21, Township 23 South, Range 28 East, NMPM. The unit will be dedicated to the Loving Townsite 2021 LBC Well No. 2H, with a first take point in the SW/4SE/4 of Section 20 and a final take point in the SE/4SW/4 of Section 21.

Case No. 20290; Kaiser-Francis Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying spacing and proration unit in the Wolfcamp formation comprised of the SE/4 of Section 20 and the SW/4 of Section 21, Township 23 South, Range 28 East, NMPM. The unit will be dedicated to: (a) the Loving Townsite 2021 WC Well No. 1H, with a first take point in the NW/4SE/4 of Section 20 and a final take point in the NE/4SW/4 of Section 21; (b) the Loving Townsite 2021 WA Well No. 1H, a with a first take point in the NW/4SE/4 of Section 20 and a final take point in the NE/4SW/4 of Section 21; (c) the Loving Townsite 2021 WC Well No. 2H, well with a first take point in the SW/4SE/4 of Section 20 and a final take point in the SE/4SW/4 of Section 21; and (d) the Loving Townsite 2021 WA Well No. 2H, with a first take point in the SW/4SE/4 of Section 20 and a final take point in the SE/4SW/4 of Section 21.

Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

OTHER PARTIES

PROPOSED EVIDENCE

APPLICANT

WITNESSES

Michael Maxey
(landman)

EST. TIME

15 min.

EXHIBITS

Approx. 8

OTHER PARTIES

WITNESSES

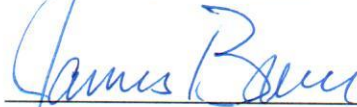
EST. TIME

EXHIBITS

PROCEDURAL MATTERS

If the cases are not contested they may be submitted by affidavit.

Respectfully submitted,



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

Attorney for Kaiser-Francis Oil Company