

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

Case Nos. 21553

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: Brendon Kushnerick

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

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, 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, 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, completing, and equipping 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, completing, and equipping the wells.

OTHER PARTIES

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Brendon Kushnerick (landman)	15 min.	Approx. 6
Lee Lindman (geologist)	10 min.	Approx. 4

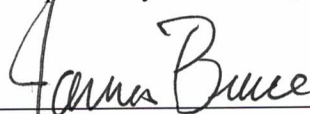
OTHER PARTIES

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

If the case is not contested it will 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