

**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 WILLIAMS PRODUCTION  
COMPANY FOR SIMULTANEOUS DEDICATION,  
SAN JUAN COUNTY, NEW MEXICO.**

**Case No. 14719**

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by San Juan Basin Resources, LLC ("San Juan") as required by the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Williams Production Company

**APPLICANT'S ATTORNEY**

Ocean Munds-Dry

**OPPONENT**

San Juan Basin Resources, LLC  
Suite 10C  
1499 Blake Street  
Denver, Colorado 80202

**OPPONENT'S ATTORNEY**

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

Attention: Sheryl A. Olson, CPL  
(303) 573-6333

**STATEMENT OF THE CASE**

**APPLICANT**

**OPPONENT**

Applicant seeks an order approving simultaneous dedication of its proposed Rosa Unit Well No. 242A (a horizontal well) with the existing Rosa Unit Well No. 242. The E/2 of Section 33, Township 32 North, Range 6 West, N.M.P.M. will be dedicated to the wells in the Fruitland Coal formation. The terminus of Well No. 242A well will be located 96 feet from the E/2 of Section 33, which is a communitized tract in which San Juan owns an interest.

The severely unorthodox location will drain Fruitland Coal reserves from San Juan's well unit, and adversely affect its correlative rights.

### PROPOSED EVIDENCE

#### APPLICANT

##### WITNESSES

##### EST. TIME

##### EXHIBITS

#### OPPONENT

##### WITNESSES

##### EST. TIME

##### EXHIBITS

Sheryl Olson  
(landman)

15 min.

Approx. 4

\_\_\_\_\_  
(geologist)

15 min.

Approx. 4

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(engineer)

20 min.

Approx. 4

### PROCEDURAL MATTERS

Applicant has filed a motion to dismiss the case, to which San Juan is preparing a response.

Respectfully submitted,



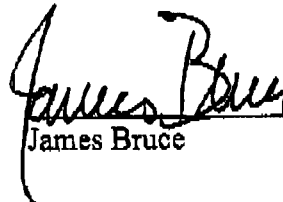
James Bruce  
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Attorney for San Juan Basin Properties,  
LLC

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 28<sup>th</sup> day of July, 2011 via facsimile transmission:

Ocean Munds-Dry  
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Santa Fe, New Mexico 87504  
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James Bruce