

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

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APPLICATION TO AMEND ORDER NO. R-12984 TO REMOVE CERTAIN ACREAGE FROM THE BASIN-MANCOS GAS POOL (97232); TO CREATE A MANCOS OIL POOL WITH SPECIAL POOL RULES; TO EXEMPT HORIZONTAL WELLS FROM PRE-EXISTING POOLS IN THE SUBJECT AREA AND RESTRICT THOSE POOLS TO CURRENT BOUNDARIES; TO ABOLISH OIL ALLOWABLES IN THE SUBJECT AREA; TO RETAIN FOR THE NEW OIL POOL THE AUTHORITY TO DOWNHOLE COMMINGLE PRODUCTION FROM THE MANCOS, MESAVERDE AND DAKOTA FORMATIONS PROVIDED BY ORDER NO. R-12984-B; AND TO AMEND THE SPECIAL RULES FOR THE COUNSELORS GALLUP-DAKOTA POOL (13379); SAN JUAN, RIO ARRIBA, SANDOVAL AND MCKINLEY COUNTIES, NEW MEXICO.

CASE NO. 15191

APPLICANTS' PRE-HEARING STATEMENT

This pre-hearing statement is submitted by ConocoPhillips Company, Encana Oil & Gas (USA) Inc., Logos Resources, LLC, and WPX Energy Production, LLC ("Applicants") as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

ATTORNEY

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INTERESTED PARTY

Oil Conservation Division

ATTORNEY

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STATEMENT OF THE CASE

Applicants seek an order (1) amending Division Order No. R-12984 to remove certain acreage from the Basin-Mancos Gas Pool (97232); (2) creating a "Mancos Oil Pool" subject to special rules allowing, among other things, 320-acre spacing units for all horizontal wells in the subject area and standard 330 foot setbacks; (3) exempting horizontal wells from the pre-existing pools covering all or part of the Mancos formation in the subject area and restricting pre-existing pools to current boundaries; (4) abolishing oil allowables in the subject area for all pools; (5) retaining for the new Mancos Oil Pool the approval to downhole commingle production from the Mancos, Mesaverde and Dakota formations provided by Order No. R-12984-B; and (6) amending the Special Rules for the Counselors Gallup Dakota Oil Pool (13379) to provide for standard 330 foot setbacks.

APPLICANTS' PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Chuck Creekmore, Landman	Approx. 45 minutes	Approx. 10
Kurt Thomas, Petroleum Engineer	Approx. 30 minutes	Approx. 10
Holly Hill, Senior Regulatory Analyst	Approx. 30 minutes	Approx. 6
Tim Smith, Petroleum Reservoir Engineer	Approx. 40 minutes	Approx. 15
Austin Akers, Landman	Approx. 30 minutes	Approx. 5

PROCEDURAL MATTERS

After consultation with Intervener, Benson-Montin-Greer, Applicants will remove from the area subject to their Application the acreage comprising the Puerto Chiquito-Mancos Oil, East Pool (50430) and the Puerto Chiquito-Mancos Oil, West Pool (50440) established by Commission Orders R-3994.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on August 14, 2014, I served a copy of the foregoing document to the following via electronic mail to:

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