STATE OF NEW MEXICO [7] ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION 2015 FEB 26 P 4: 02

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF ANSCHUTZ OIL COMPANY, LLC FOR A NON-STANDARD OIL SPACING AND PRORATION UNIT AND COMPULSORY POOLING, RIO ARRIBA COUNTY, NEW MEXICO.

Case No. 15,268

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Anschutz Oil Company, LLG

Suite 2400

555 17th Street

Denver, Colorado 80202

Attention:

Deidre O'Callaghan

(303) 299-1478

OPPONENT

APPLICANT'S ATTORNEY

Santa Fe, New Mexico 87504

James Bruce

P.O. Box 1056

(505) 982-2043

OPPONENT'S ATTORNEY

- STATEMENT OF THE CASE

APPLICANT.

Anschutz Oil Company, LLC seeks an order approving a 640-acre non-standard oil spacing and proration unit (project area) in the Mancos formation comprised of the W/2 of Section 14 and E/2 of Section 15, Township 25 North, Range 2 West, N.M.P.M. Applicant further seeks the pooling of all mineral interests in the Mancos formation underlying the non-standard spacing and proration unit (project area) for any formations and/or pools developed on 640 acre spacing within that vertical extent, including the Gavilan-Mancos Pool. Applicant has drilled its Regina Com. 25-2-14-15 Well No. 1H to a depth sufficient to test the Gavilan-Mancos Pool. It is a horizontal well drilled from a surface location in the NW/4NE/4 of Section 14, with a terminus in the NW/4NE/4 of Section 15. The beginning of the producing interval is 893.3 feet from the north line and 2291.4 feet from the west line of Section 14, with a terminus 859.6 feet from the north line and 1821 feet from the east line of Section 15. The partially unorthodox location was previously approved. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Anschutz Exploration Corporation as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

	WITNESSES	EST. TIME	EXHIBITS
	Deidre O'Callaghan (landman)	15 min.	Approx. 4
	John Michael Richardson (landman)	10 min.	Approx. 2
	Randy Maxey (regulatory manager)	15 min.	Approx. 2
<u>OPPONENT</u>			
	WITNESSES	EST. TIME	<u>EXHIBITS</u>

PROCEDURAL MATTERS

-None-

Respectfully submitted.

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Attorney for Anschutz Oil Company, LLC