

FEB 15 2018 PM03:13

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
TO RE-OPEN CASE NO. 15821 FOR POOL CREATION
AND SPECIAL RULES AND REGULATIONS THEREFOR,
LEA COUNTY, NEW MEXICO.

Case No. 15821 (Re-opened)

APPLICATION OF KAISER-FRANCIS OIL COMPANY
TO RE-OPEN CASE NO. 15822 FOR POOL CREATION
AND SPECIAL RULES AND REGULATIONS THEREFOR,
LEA COUNTY, NEW MEXICO.

Case No. 15822 (Re-opened)

APPLICATION OF KAISER-FRANCIS OIL COMPANY
TO RE-OPEN CASE NO. 15823 FOR POOL CREATION
AND SPECIAL RULES AND REGULATIONS THEREFOR,
LEA COUNTY, NEW MEXICO.

Case No. 15823 (Re-opened)

APPLICATION OF KAISER-FRANCIS OIL COMPANY
TO RE-OPEN CASE NO. 15824 FOR POOL CREATION
AND SPECIAL RULES AND REGULATIONS THEREFOR,
LEA COUNTY, NEW MEXICO.

Case No. 15824 (Re-opened)

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: Chris Miller

APPLICANT'S ATTORNEY

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

OTHER PARTIES

Energen Resources Corporation

OTHER PARTIES' ATTORNEYS

J. Scott Hall

STATEMENT OF THE CASES

APPLICANT

Case No. 15821 (re-opened): Applicant seeks an order (i) creating a new pool for horizontal development of the Bone Spring formation, designated the South Bell Lake-Bone Spring Pool, and (ii) instituting special rules and regulations for the pool. The new pool will include Section 36 of Township 23 South, Range 33 East, NMPM, Sections 31 and 32 of Township 23 South, Range 34 East, NMPM, Sections 1 and 12 of Township 24 South, Range 33 East, NMPM, and Sections 5-8 of Township 24 South, Range 34 East, NMPM. The special rules will include standard 480 acre oil spacing and proration units, special well location requirements, a depth bracket allowable of 9600 barrels of oil per day for a standard 480 acre unit, and a gas:oil ratio of 5000:1.

Case No. 15822 (re-opened): Applicant seeks an order (i) creating a new pool for horizontal development of the Wolfcamp formation, designated the South Bell Lake-Wolfcamp Pool, and (ii) instituting special rules and regulations for the pool. The new pool will include Section 36 of Township 23 South, Range 33 East, NMPM, Sections 31 and 32 of Township 23 South, Range 34 East, NMPM, Sections 1 and 12 of Township 24 South, Range 33 East, NMPM, and Sections 5-8 of Township 24 South, Range 34 East, NMPM. The special rules will include standard 480 acre oil spacing and proration units, special well location requirements, a depth bracket allowable of 6000 barrels of oil per day for a standard 480 acre unit, and a gas:oil ratio of 5000:1.

Case No. 15823 (re-opened): Applicant seeks an order (i) creating a new pool for horizontal development of the Bone Spring formation, designated the Southwest Ojo Chiso-Bone Spring Pool, and (ii) instituting special rules and regulations for the pool. The new pool will include Section 36 of Township 22 South, Range 33 East, NMPM, Sections 31 and 32 of Township 22 South, Range 34 East, NMPM, Sections 1 and 12 of Township 23 South, Range 33 East, NMPM, and Sections 5-8 of Township 23 South, Range 34 East, NMPM. The special rules will include standard 480 acre oil spacing and proration units, special well location requirements, a depth bracket allowable of 9600 barrels of oil per day for a standard 480 acre unit, and a gas:oil ratio of 5000:1.

Case 15284 (re-opened): Applicant seeks an order (i) creating a new pool for horizontal development of the Wolfcamp formation, designated the South Bell Lake-Wolfcamp Pool, and (ii) instituting special rules and regulations for the pool. The new pool will include Section 36 of Township 23 South, Range 33 East, NMPM, Sections 31 and 32 of Township 23 South, Range 34 East, NMPM, Sections 1 and 12 of Township 24 South, Range 33 East, NMPM, and Sections 5-8 of Township 24 South, Range 34 East, NMPM. The special rules will include standard 480 acre oil spacing and proration units, special well location requirements, a depth bracket

allowable of 6000 barrels of oil per day for a standard 480 acre unit, and a gas:oil ratio of 5000:1.

These cases are being re-opened by applicant to request changes to the Division's final or proposed orders.

OTHER PARTIES

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Barbara Courtney (landman)	15 min.	Approx. 3
Mike Raines (engineer)	20 min.	Approx. 3

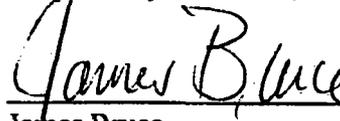
OTHER PARTIES

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
------------------	------------------	-----------------

PROCEDURAL MATTERS

Applicant requests that these cases be consolidated for hearing.

Respectfully submitted,



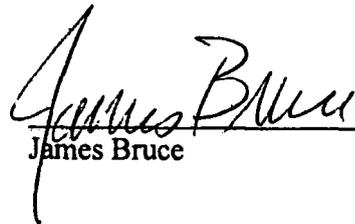
James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Kaiser-Francis Oil Company

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 15th day of February, 2018 by e-mail:

J. Scott Hall
shall@montand.com


James Bruce