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STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
2006 SEP 7 AM 8:54

**IN THE MATTER OF THE APPLICATION OF COLEMAN OIL & GAS, INC.
FOR AMENDMENT OF DIVISION ADMINISTRATIVE ORDER SWD-806-B,
SAN JUAN COUNTY, NEW MEXICO.**

CASE NO. 13812

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Coleman Oil & Gas, Inc.

APPLICANT'S ATTORNEY

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RESPONDENT

Oil Conservation Division

RESPONDENT'S ATTORNEY

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STATEMENT OF THE CASE

The Application as originally submitted by Coleman Oil & Gas, Inc. ("Coleman") sought an order amending Administrative Order SWD-806-B to delete the provisions requiring it to re-enter and re-plug the Monument Well No. 1 and the Monument Well No. 2. The Oil Conservation Division opposed the deletion of those provisions, and supported the administrative order as written. Since the filing of the original Application and the first Hearing on the matter, however, Coleman has informed the Division that it is willing to re-enter the Monument Well No. 1, if it is permitted to deepen it to the Entrada and

utilize it for disposal purposes. However, Coleman anticipates that completion of the proposed plan will take some time, and seeks approval to continue injecting into the Juniper SWD Well No. 1 while it obtains necessary permits to complete work on the Monument Well No. 1. The Division is amenable to the general plan as proposed by Coleman, as long as certain conditions are imposed to ensure the protection of the environment and groundwater in the area, and to ensure compliance with all Division Rules.

APPLICANT'S PROPOSED EVIDENCE

WITNESS:

ESTIMATED TIME:

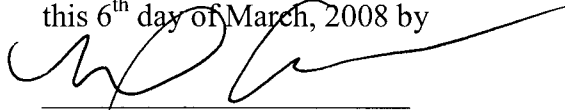
William Jones, OCD Petroleum Engineer & Hearing Examiner

30 min.

PROCEDURAL MATTERS

The parties are submitting a Joint Motion requesting that the scope of the hearing be limited.

Respectfully submitted
this 6th day of March, 2008 by



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