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

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

CASE NO. 14146

APPLICATION OF WILLIAMS PRODUCTION CO., LLC FOR PRE-APPROVAL OF DOWNHOLE COMMINGLING AND FOR NON-STANDARD LOCATIONS IN THE ROSA UNIT, SAN JUAN AND RIO ARRIBA COUNTIES, NEW MEXICO.

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

Williams Production Company c/o Vern Hansen One Williams Center 25th Floor P. O. Box 3102 Tulsa, Oklahoma 74101 Ocean Munds-Dry Holland & Hart LLP 110 N. Guadalupe St. Suite 1 Santa Fe, NM 87501 (505) 988-4421 (505) 983-6043 (Fax)

STATEMENT OF CASE

<u>APPLICANT</u>

Applicant, in the above-styled cause seeks pre-approval for downhole commingling in the Basin Dakota Pool, Basin Fruitland Coal Gas Pool, Rosa Pictured Cliffs Pool, East Blanco Pictured Cliffs Pool, Carracas-Pictured Cliffs Pool, Blanco Mesaverde Pool, Cottonwood-Fruitland Sand Pool, Laguna Seca Gallup Pool, Cedro Gallup Pool, Willow Gallup Pool and the Basin Mancos Pool. Applicant also seeks non-standard locations for the Rosa Unit in Township 32 North, Range 6 West, Township 31 North, Ranges 4, 5 and 6 West, NMPM, San Juan and Rio Arriba Counties. Said area is located approximately 9 miles southeast of Arbolies, Colorado.

PROPOSED EVIDENCE

APPLICANT

WITNESSES	ESTIMATED TIME	EXHIBITS
Vern Hansen, Petroleum Landman	Approx. 30 minutes	Approx. 10
Larry Higgins, Surface and Regulatory Specialist	Approx. 30 minutes	Approx. 10
Ken McQueen, Reservoir Engineer	Approx. 60 minutes	Approx. 20

PROCEDURAL MATTERS

Williams has none at this time.

Ocean Munds-Dry

Attorney for Williams Production Company