

**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 PURPOSES  
OF CONSIDERING:**

**CASE NO. 14291**

**APPLICATION OF WILLIAMS PRODUCTION COMPANY, LLC FOR EXCEPTIONS  
TO THE SPECIAL RULES AND REGULATIONS FOR THE BLANCO-MESAVERDE  
GAS POOL FOR A PILOT PROJECT TO DETERMINE THE PROPER WELL  
DENSITY REQUIREMENTS FOR MESAVERDE FORMATION WELLS AND  
APPROVAL OF UNORTHODOX WELL LOCATIONS FOR PROJECT WELLS, 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**

Williams Production Company  
c/o Vern Hansen  
One Williams Center  
25th Floor  
P. O. Box 3102  
Tulsa, Oklahoma 74101

**ATTORNEY**

William F. Carr  
Ocean Munds-Dry  
Holland & Hart LLP  
110 N. Guadalupe St. Suite 1  
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**OTHER PARTY**

Devon Energy Production Company, L. P.

**ATTORNEY**

James Bruce, Esq.  
Post Office Box 1056  
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**STATEMENT OF CASE**

**APPLICANT**

Applicant seeks exceptions to the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool for a two year Pilot Project in the Rosa Unit Area to be comprised of the following lands located in San Juan and Rio Arriba, Counties, New Mexico:

**TOWNSHIP 31 NORTH, RANGE 6 WEST, NMPM**

Sections 1-5: All  
Sections 8-17: All  
Sections 21-26: All

**TOWNSHIP 32 NORTH, RANGE 6 WEST, NMPM**

Sections 32-36: All

Applicant also seeks the authorization to drill additional wells on each standard 320-acre gas proration unit in the pilot project area to increase density from the current maximum of four wells as provided by The Special Rules and Regulations for the Blanco-Mesaverde Gas Pool, to a maximum of eight wells (40-acre infill wells) per 320-acre gas proration unit.

**PROPOSED EVIDENCE**

**APPLICANT**

<u>WITNESSES</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Vern Hansen, Petroleum Landman	Approx. 10 minutes	Approx. 5
Margaret Lessenger Geologist	Approx. 15 minutes	Approximately 5
Ken McQueen, Reservoir Engineer	Approx. 20 minutes	Approx. 6

**PROCEDURAL MATTERS**

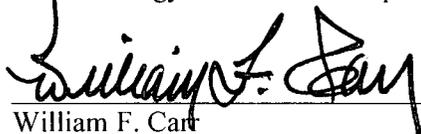
Williams has none at this time.

  
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William F. Carr  
Ocean Munds-Dry  
Attorney for Williams Production Company

CERTIFICATE OF SERVICE

I certify that on March 11, 2009, I served a copy of the foregoing document to the following by Hand Delivery or by Facsimile:

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ATTORNEY FOR  
Deyon Energy Production Company, L.P.

  
\_\_\_\_\_  
William F. Carr