

**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 FOR AN EXCEPTION TO DIVISION
RULE 104.C(2), LEA COUNTY, NEW MEXICO.**

Case No. 14,173

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Kaiser-Francis Oil Company
P.O. Box 21468
Tulsa, Oklahoma 74121

Attention: Jim Wakefield

APPLICANT'S ATTORNEY

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

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an exception to Division Rule 104.C(2) to drill and produce its Bell Lake Unit Well No. 33 as an infill well in an existing 318.38 acre gas spacing unit in the South Bell Lake-Morrow Gas Pool comprising Lots 6, 7, E $\frac{1}{2}$ SW $\frac{1}{4}$, and SE $\frac{1}{4}$ (the S $\frac{1}{2}$ equivalent) of Section 6, Township 24 South, Range 34 East, N.M.P.M., at an orthodox gas well location in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ (Unit I) of Section 6. Applicant further seeks to simultaneously dedicate production from the South Bell Lake-Morrow Gas Pool in Section 6 to the Bell Lake Unit Well No. 33 and to Kaiser-Francis Oil Company's existing Bell Lake Unit Well No. 26, located 1650 feet from the south line and 660 feet from the east line (Unit I) of Section 6. The two wells shall not produce concurrently from the same Morrow sands.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBIT

(geologist)

15 min.

Approx. 4

Jim Wakefield
(engineer)

30 Min.

Approx. 8

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

Respectfully submitted,

James Bruce
James Bruce


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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 17th day of August, 2008 by facsimile transmission:

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James Bruce