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 KERR-MCGEE OIL & GAS ONSHORE LLC FOR AN EXCEPTION TO THE SPECIAL RULES AND REGULATIONS OF THE INDIAN BASIN-UPPER PENNSYLVANIAN ASSOCIATED POOL, AND FOR SIMULTANEOUS DEDICATION, EDDY COUNTY, NEW MEXICO.

Case No. 13202

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Kerr-McGee Oil & Gas Onshore LLC as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Kerr-McGee Oil & Gas Onshore LLC P.O. Box 809004

Dallas, Texas 75380-9004

Attention: Laurie McNamara

APPLICANT'S ATTORNEY

James Bruce

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Santa Fe, New Mexico 87504

(505) 982-2043

OTHER PARTY OTHER PARTY'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an exception to the Special Rules and Regulations of the Indian Basin-Upper Pennsylvanian Associated Pool to allow both its existing Lowe State Gas Com Well No. 5 and its proposed Lowe State Gas Com Well No. 6 to be located in the SW% of Section 36, Township 21 South, Range 23 East, NMPM. Applicant further seeks approval of the simultaneous dedication of both wells to a standard well unit comprised of the W% of Section 36, and that the wells be allowed to produce concurrently.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>
Laurie McNamara
(landman)

EST. TIME
5 min.

Approx. 3

J.T. Lowe 15 min. Approx. 2
_____ 15 min. Approx. 7

(engineer)

OPPONENT

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

PROCEDURAL MATTERS

-None-

Respectfully submitted,

James Bruce

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Attorney for Kerr-McGee Oil & Gas Onshore LLC