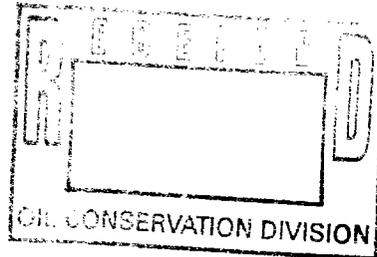


**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

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



APPLICATION OF AMOCO PRODUCTION COMPANY  
FOR A HIGH ANGLE/HORIZONTAL DIRECTIONAL  
DRILLING PILOT PROJECT AND SPECIAL  
OPERATING RULES THEREFOR,  
SAN JUAN COUNTY, NEW MEXICO.

CASE NO. 11053

**PRE-HEARING STATEMENT**

This Prehearing Statement is submitted by Campbell, Carr, Berge & Sheridan, P.A., as required by the Oil Conservation Division.

**APPEARANCES OF PARTIES**

**APPLICANT**

Amoco Production Company \_\_\_\_\_  
c/o J. W. Hawkins \_\_\_\_\_  
Post Office Box 800 \_\_\_\_\_  
Denver, Colorado 800201 \_\_\_\_\_  
(303) 830-5072 \_\_\_\_\_

name, address, phone and  
contact person

**ATTORNEY**

William F. Carr, Esq. \_\_\_\_\_  
Campbell, Carr, Berge & Sheridan, P.A.  
Post Office Box 2208 \_\_\_\_\_  
Santa Fe, New Mexico 87504 \_\_\_\_\_  
(505) 988-4421 \_\_\_\_\_

**OPPOSITION OR OTHER PARTY**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

name, address, phone and  
contact person

**ATTORNEY**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATEMENT OF CASE**

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

Amoco Production Company, applicant, in the above-styled cause, seeks authority to institute a high angle/horizontal directional drilling pilot project in the Blanco-Mesaverde Gas Pool on an existing 320-acre gas spacing and proration unit comprising the E/2 of Section 29, Township 31 North, Range 8 West, NMPM, which is currently dedicated to its Kernaghan "B" Well Nos. 3 and 3A located respectively in Units B and O. Applicant proposes to re-enter its Kernaghan "B" Well No. 3A, located at a standard gas well location 980 feet from the South line and 1480 feet from the East line of Section 29, kick off from the vertical, build a medium radius curve, and drill laterally an undetermined distance. Applicant further proposes to keep the horizontal displacement of said well's producing interval within the allowed 790 foot setback requirement from the outer boundary of said spacing unit.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

**PROPOSED EVIDENCE**

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Gary Weitz, Landman	5 Min.	Approximately 2
Ira Pasternack, Petroleum Geologist	10 Min.	Approximately 3
J. W. Hawkins, Petroleum Engineer	10 Min.	Approximately 3
Brad Bilyew, Drilling Engineer	10 Min.	Approximately 1

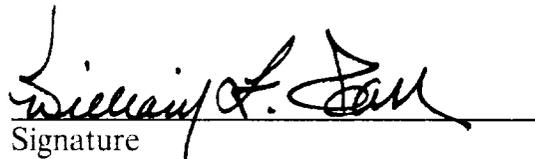
OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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**PROCEDURAL MATTERS**

(Please identify any procedural matters which need to be resolved prior to hearing)

Amoco will request that Cases 11053, 11054, 11055, 11056, 11052 and 11051 be consolidated for purposes of hearing.

  
Signature