

**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:

CASE NO. 11271

APPLICATION OF MEDALLION PRODUCTION COMPANY  
FOR COMPULSORY POOLING AND AN  
UNORTHODOX GAS WELL LOCATION,  
LEA COUNTY, NEW MEXICO.

**RECEIVED**

APR 13 1995

Oil Conservation Division

**PRE-HEARING STATEMENT**

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

**APPEARANCES OF PARTIES**

APPLICANT

ATTORNEY

Medallion Production Company \_\_\_\_\_  
c/o Rick Deffenbaugh \_\_\_\_\_  
7130 S. Lewis Ave., Suite 700 \_\_\_\_\_  
Tulsa, OK 74136 \_\_\_\_\_  
(915) 685-1961 \_\_\_\_\_

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

name, address, phone and  
contact person

OPPOSITION OR OTHER PARTY

ATTORNEY

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\_\_\_\_\_

name, address, phone and  
contact person

**STATEMENT OF CASE**

APPLICANT

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

Medallion Production Inc., applicant in the above-styled cause, seeks an order ~~pooling all mineral interests~~ from the surface to the base of the Atoka formation, underlying the following described acreage in Section 31, Township 16 South, Range 35 East, and in the following manner: the E/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated North Vacuum Atoka-Morrow Gas Pool and Undesignated Shoe Bar-Atoka Gas Pool; the SE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and or pools developed on 160-acre spacing within said vertical extent; the W/2 SE/4 to form a standard 80-acre oil spacing and proration unit for any and all pools developed on 80-acre spacing within said vertical extent which presently includes only the Undesignated North Vacuum-Abo Pool; and the SW/4 SE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated Vacuum-Grayburg San Andrew Pool and Undesignated Northeast Vacuum-Wolfcamp Pool. Said units are to be dedicated to a single well to be drilled 660 feet from the South line and 1980 feet from the East line (Unit O) of said Section 31 being a standard well location for 40, 80, and 160-acre spacing and proration units but an unorthodox gas well location for a 320-acre spacing unit. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well, and a charge for risk involved in drilling said well.

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

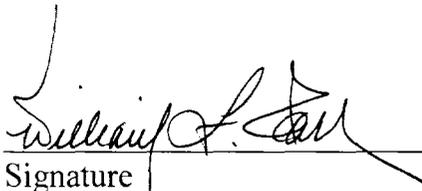
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Rick Deffenbaugh, Land	10 Min.	Approximately 5
Bill Siruta, Geology	10 Min.	Approximately 3

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)

  
Signature