

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 ANSON GAS CORPORATION  
FOR COMPULSORY POOLING, A HIGH ANGLE/  
HORIZONTAL DIRECTIONAL DRILLING PROJECT,  
A NON-STANDARD OIL PRORATION UNIT, AN  
UNORTHODOX BOTTOMHOLE OIL WELL LOCATION  
OR "PRODUCING AREA", SPECIAL OPERATING RULES  
THEREFOR, AND A SPECIAL PROJECT ALLOWABLE,  
LEA COUNTY, NEW MEXICO.

CASE NO. 11372

**RECEIVED**  
AUG 16 1995  
Oil Conservation Division

**PRE-HEARING STATEMENT**

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

**APPEARANCES OF PARTIES**

APPLICANT

AnSon Gas Corporation  
c/o Charles E. Lundeen  
3814 North Santa Fe  
Oklahoma City, OK  
(405) 528-0525

name, address, phone and  
contact person

ATTORNEY

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

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.)

AnSon Gas Corporation, applicant in the above-styled cause, seeks to initiate a high angle/horizontal directional drilling project within the Devonian formation in an area comprising the E/2 NW/4 of Section 33, Township 16 South, Range 38 East, thereby forming a non-standard 80-acre oil spacing and proration unit. Applicant proposes to recomplate its existing Mary "33" Well No. 1, located at a standard surface oil well location 2040 feet from the North line and 2310 feet from the West line (Unit F) of said Section 33, by kicking off from vertical in a north-northeasterly direction, commencing to build angle at an appropriate rate in order to horizontally traverse the proposed project area. The applicant further seeks approval of an unorthodox bottomhole oil well location whereby the "producing area" for said wellbore would be no closer than 330 feet from the north, west and south boundaries of the 80-acre tract, nor closer than 90 feet to its eastern boundary. The applicant also requests the assignment of a special project allowable for the proposed oversized oil spacing and proration unit. Also to be considered in this matter is the applicant's request for an order pooling all mineral interests in the Devonian formation underlying said 80 acres. Also to be considered will be the cost of re-entering, recompleting, and horizontally drilling 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 unit, and a charge for risk involved in re-entering, recompleting and horizontally drilling said well.

**Pre-hearing Statement**  
**NMOCD Case No. 11372**  
**Page 3**

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
Al Swanson, Landman	20 Min.	Approximately 9
Hal E. Hawthorne, Geologist	20 Min.	Approximately 3

OTHER PARTY

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
-----------------------------------	-----------	----------

**PROCEDURAL MATTERS**

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

  
Signature