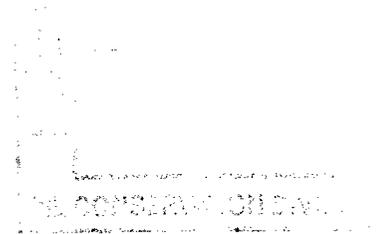


**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**



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

CASE NO. 11429

APPLICATION OF TEXACO EXPLORATION
AND PRODUCTION INC., FOR
DOWNHOLE COMMINGLING,
LEA COUNTY, NEW MEXICO.

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

Texaco Exploration and Production Inc.
c/o Jim Dore
Post Office Box 46513
Denver, CO 80237
(915) 688-4613

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

INTERESTED PARTY

ATTORNEY

STATEMENT OF CASE

APPLICANT

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

Texaco Exploration and Production Inc., applicant in the above-styled cause, seeks exceptions from Division General Rule 303(C) to establish an area-wide basis authorization for downhole commingling of the Delaware and Bone Spring formations in the wellbores of existing or future wells drilled anywhere within the W/2 E/2 and the E/2 W/2 of Section 31, Township 23 South, Range 32 East, said production being from portions of the West Triste Draw-Delaware Pool and the South Sand Dunes-Bone Spring Pool.

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

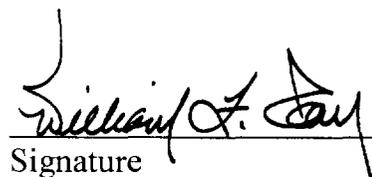
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Jim Dore, Petroleum Engineer	25 Min.	Approximately 12

OTHER PARTY

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