

11703

**HINKLE, COX, EATON, COFFIELD & HENSLEY,**  
**L.L.P.**

ATTORNEYS AT LAW

218 MONTEZUMA POST OFFICE BOX 2068  
**SANTA FE, NEW MEXICO 87504-2068**  
(505) 982-4554 FAX (505) 982-8623

LEWIS C. COX, JR. (1924-1993)  
CLARENCE E. HINKLE (1901-1985)

OF COUNSEL  
O. M. CALHOUN\* JCE W. WOOD  
RICHARD L. CAZZELL\* RAY W. RICHARDS\*

AUSTIN AFFILIATION  
HOFFMAN & STEPHENS, P.C.  
KENNETH R. HOFFMAN\*  
TOM D. STEPHENS\*  
RONALD C. SCHULTZ, JR.\*  
JOSE CANO\*

THOMAS E. HOOD\*  
REBECCA NICHOLS JOHNSON  
STANLEY K. KOTOVSKY, JR.  
ELLEN S. CASEY  
MARGARET CARTER LUDEWIG  
S. BARRY PAISNER  
WATT L. BROOKS\*  
DAVID M. RUSSELL\*  
ANDREW J. CLOUTIER  
STEPHANIE LANDRY  
KIRT E. MOELLING\*  
DANE FISHER  
JULIE P. NEERKEN  
WILLIAM P. SLATTERY  
CHRISTOPHER M. MOODY  
JOHN D. PHILLIPS  
EARL R. NORRIS  
JAMES A. GILLESPIE  
MARGARET R. MCNETT

GARY W. LARSON  
LISA K. SMITH\*  
NORMAN D. EWART  
DARREN T. GROCE\*  
MOLLY MCINTOSH  
MARCIA B. LINCOLN  
SCOTT A. SHUART\*  
PAUL G. NASON  
AMY C. WRIGHT\*  
BRADLEY G. BISHOP\*  
KAROLYN KING NELSON  
ELLEN T. LOUDERBOUGH  
JAMES H. WOOD\*  
NANCY L. STRATTON  
TIMOTHY R. BROWN  
JAMES C. MARTIN  
KATHLEEN M. HALL

\*NOT LICENSED IN NEW MEXICO

December 17, 1996

Florene Davidson  
New Mexico Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87501

**Re: In the Matter of: (1) the Application of Parker & Parsley Development, L.P. for Approval of a Water Injection Project for Secondary Recovery of Hydrocarbons, Lea County, New Mexico; and (2) the Application of Parker & Parsley Development, L.P. for Statutory Unitization, Lea County, New Mexico**

Dear Florene:

Transmitted herewith you will find three copies of a "Pre-Hearing Statement" in connection with the referenced applications. Those applications were filed with the OCD office yesterday.

Please advise if anything further is needed in connection with the enclosed Pre-Hearing Statement.

Thank you.

Very truly yours,

**HINKLE, COX, EATON, COFFIELD,  
& HENSLEY, L.L.P.**

Conrad E. Coffield

CEC/bc  
Enclosures  
cc: Steven K. Owen  
Rand Carroll, General Counsel  
(w/encl.)

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:

THE APPLICATION OF PARKER &  
PARSLEY DEVELOPMENT, L.P. FOR  
APPROVAL OF A WATER INJECTION  
PROJECT FOR SECONDARY RECOVERY OF  
HYDROCARBONS, LEA COUNTY, NEW MEXICO

Case No. \_\_\_\_\_

THE APPLICATION OF PARKER &  
PARSLEY DEVELOPMENT, L.P. FOR  
STATUTORY UNITIZATION,  
LEA COUNTY, NEW MEXICO

Case No. \_\_\_\_\_

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Applicant as  
required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

Parker & Parsley  
Development, L.P.  
303 West Wall Street, Ste. 101  
Post Office Box 3178  
Midland, TX 79702-3178  
(915) 571-1550

ATTORNEY

Conrad E. Coffield, Esq.  
Hinkle, Cox, Eaton,  
Coffield & Hensley, L.L.P.  
218 Montezuma  
Post Office Box 2068  
Santa Fe, NM 87504-2068  
(505) 982-4554

OPPONENT

ATTORNEY

STATEMENT OF CASE

Applicant requests statutory unitization of the Lusk West  
Delaware Pool in order to institute a water injection secondary  
recovery project. The project will increase recovery of reserves  
in the Pool.

The Unit Agreement and Unit Operating Agreement are fair and reasonable, and the participation formula allocates hydrocarbons to each tract on a fair and equitable basis.

**PROPOSED EVIDENCE**

<u>APPLICANT</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Larry Brooks (Geologist)	1 hour	12
J. Britt Hirth (Engineer)	1 hour	Approx. 4
Greg Pace (Engineer)	1 hour	_____
Steven K. Owen	1 hour	Approx. 3

<u>OPPONENT</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
_____	_____	_____

**PROCEDURAL MATTERS**

None applicable at this time.

Pre-Hearing Statement

Case Nos. \_\_\_\_\_ and \_\_\_\_\_

Page 3

RESPECTFULLY SUBMITTED:

HINKLE, COX, EATON,  
COFFIELD & HENSLEY, L.L.P.

---

Conrad E. Coffield, Esq.  
Post Office Box 2068  
Santa Fe, New Mexico 87504  
(505) 982-4554  
Attorneys for Parker & Parsley  
Development, L.P.