

RC

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

IN THE MATTER OF THE APPLICATION
OF GP II ENERGY, INC. FOR APPROVAL OF
A WATERFLOOD PROJECT, EDDY COUNTY,
NEW MEXICO

CASE NO. 12112

PREHEARING STATEMENT

This prehearing statement is submitted by Chase Oil Corporation, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

GP II Energy, Inc.

ATTORNEY

William F. Carr
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PARTY IN INTEREST

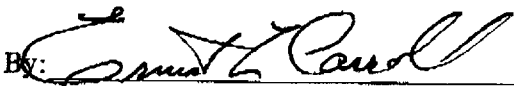
Chase Oil Corp.

Ernest L. Carroll
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STATEMENT OF CASE

Chase Oil will appear at the hearing on this matter but it will call no witnesses. Chase Oil is still reviewing its files to determine the extent and nature of its affected properties and at this time opposes the application.

LOSEE, CARSON, HAAS & CARROLL, P.A.

By: 

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P.O. Box 1720
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(505)746-3505

Attorneys for Chase Oil Corporation

I hereby certify that I caused a true and correct copy of the foregoing pleading to be faxed to counsel of record this January 5, 1999.


Ernest L. Carroll