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 TEXACO EXPLORATION AND PRODUCTION INC. FOR SURFACE COMMINGLING, LEA COUNTY, NEW MEXICO.

CASE NO. 12170

PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

Texaco Exploration & Production Inc. c/o Ron Lanning Post Office Box 3109 Midland, TX 79702 (915) 688-4445 name, address, phone and contact person

INTERESTED PARTY

ATTORNEY

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

ATTORNEY

name, address, phone and contact person

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STATEMENT OF CASE

APPLICANT

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

Texaco Exploration & Production Inc., applicant in the above-captioned case seeks an exception to Division Rules 303-A and 309-A to permit surface commingling of Eumont-Yates Seven Rivers Queen Prorated Gas, Monument-Tubb, Skaggs-Drinkard and Skaggs-Abo Gas Pool production from the E.H.B. Phillips Lease covering the NW/4 NW/4 of Section 10, the E.H.B. Phillips "B" Lease covering the W/2 NE/4, E/2 NW/4 of Section 10, and the E.H.B. Phillips "C" Lease covering the E/2 NE/4 of Section 10, all in Township 20 South, Range 37 East.

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.)

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PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Ron Lanning, Land	10 Min.	Approximately 2
Alan Chase, Production Engineer	10 Min.	Approximately 3

WITNESSES (Name and expertise)

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

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

Signature