

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

IN THE MATTER OF THE APPLICATION
OF RAPTOR NATURAL PIPELINE LLC FOR
SPECIAL PROJECT RULES FOR THE
GRAMA RIDGE MORROW GAS STORAGE UNIT,
LEA COUNTY, NEW MEXICO

CASE NO. 12,588

PRE-HEARING STATEMENT

This prehearing statement is submitted by Applicant, Raptor Natural Pipeline, LLC as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT
Raptor Natural Pipeline, LLC
P.O. Box 2197
Houston, Texas 77252

ATTORNEY
J. Scott Hall
Miller, Stratvert & Torgerson, P.A.
Post Office Box 1986
Santa Fe, New Mexico 87504-1986
(505) 989-9614

OPPOSITION OR OTHER PARTY
Nearburg Exploration Company, LLC
Bob Shelton
3300 No. A Street
Building 2, Suite 120
Midland, Texas 79705
(915) 686-8325

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

C. W. Trainer
c/o Oil Reports & Gas Services, Inc.
1008 West Broadway
Hobbs, New Mexico 88240
(505) 393-2017

BTA Oil Producers
104 South Pecos
Midland, Texas 79701
(915) 682-3753

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Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210-2177
(505) 748-1471

Concho Resources, Inc.
110 W. Louisiana Ave
Midland, Texas 79701
(915) 683-7443

STATEMENT OF CASE

APPLICANT

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

The applicant requests the Division establish rules requiring operators of all newly drilled or recompleted wells in the Morrow formation to provide the operator of the Grama Ridge Morrow Gas Storage Unit with notification prior to drilling along with information and data obtained during the drilling and completion. The special project rules would also establish casing and cementing requirements for wells penetrating the Morrow formation.

OPPOSITION OR 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.)

The basis of the opposition, if any, of Nearburg Exploration Company, *et al.* has not been communicated to Applicant.

PROPOSED EVIDENCE

APPLICANT


WITNESSES	EST. TIME	EXHIBITS
(Name and expertise)		
John Schell, fact witness	20 minutes	approx. 4
Karl Loofe, geologist	35 minutes	approx. 8
John Wells, Petroleum Engineer	25 minutes	approx. 6

OPPOSITION

WITNESSES	EST. TIME	EXHIBITS
(Name and expertise)		

PROCEDURAL MATTERS

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



Signature

CERTIFICATE OF SERVICE

I hereby certify that on the 18 day of May, 2001, a copy of the foregoing pleading was forwarded to:

William F. Carr
Campbell, Carr, Berge & Sheridan, P.A.
Post Office Box 2208
Santa Fe, New Mexico 87504

J. Scott Hall
J. Scott Hall

DOCKET: SPECIAL EXAMINER HEARING – MONDAY – MAY 21, 2001

**8:15 A.M. - OCD Hearing Room
1220 South St. Francis
Santa Fe, New Mexico**

CASE 12588: Continued from May 17, 2001, Examiner Hearing.

Application of Raptor Natural Pipeline, LLC, f/k/a LG&E Energy Corporation, for special rules for the Grama Ridge Morrow Gas Storage Unit, Lea County, New Mexico. Applicant seeks an order establishing special rules applicable to wells drilled and completed or recompleted in the Morrow formation within its Grama Ridge Morrow Gas Storage Unit and within each 320-acre spacing unit immediately adjacent to the Unit in the following described area:

Grama Ridge Morrow Gas Storage Agreement

Township 21 South, Range 34 East

Section 33: All
Section 34: All

Township 22 South, Range 34 East

Section 3: All
Section 4: All
Section 10: All

Acreage Adjacent to Unit

Township 21 South, Range 34 East

Section 26: NW/4, S/2
Section 27: All
Section 28: All
Section 29: E/2, SW/4
Section 32: All
Section 35: All

Township 22 South, Range 34 East

Section 2: All
Section 5: All
Section 8: N/2, SE/4
Section 9: All
Section 11: All
Section 14: N/2, SW/4
Section 15: All
Section 16: N/2, SE/4

The application requests the Division establish rules requiring operators of all newly drilled or recompleted wells in the Morrow formation to provide the operator of the Unit with information and data obtained during drilling, completion, and production to determine whether such wells are in

communication with the unitized formation or would otherwise interfere with Unit operations. The special project rules would also include provisions requiring the operators of wells determined to be in communication with the Unitized Interval to demonstrate how such well may be produced without interfering with Unit operations or to take such other action determined to be appropriate. The Grama Ridge Morrow Gas Storage Unit is approximately 18 miles west of Eunice, New Mexico.

CASE 12441: Continued from May 17, 2001, Examiner Hearing.

Application of LG&E Natural Pipeline LLC for special rules for the Grama Ridge Morrow Gas Storage Unit, Lea County, New Mexico. Applicant seeks an order establishing special rules applicable to wells drilled and completed or recompleted in the Morrow formation within its Grama Ridge Morrow Gas Storage Unit and within each 320-acre spacing unit immediately adjacent to the Unit in the following described area:

Grama Ridge Morrow Gas Storage Agreement

Township 21 South, Range 34 East

Section 33: All

Section 34: All

Township 22 South, Range 34 East

Section 3: All

Section 4: All

Section 10: All

Acreage Adjacent to Unit

Township 21 South, Range 34 East

Section 26: NW/4, S/2

Section 27: All

Section 28: All

Section 29: E/2, SW/4

Section 32: All

Section 35: All

Township 22 South, Range 34 East

Section 2: All

Section 5: All

Section 8: N/2, SE/4

Section 9: All

Section 11: All

Section 14: N/2, SW/4

Section 15: All

Section 16: N/2, SE/4

The application requests the Division establish rules requiring operators of all newly drilled or recompleted wells in the Morrow formation to provide the operator of the Unit with information and data obtained during drilling, completion, and production to determine whether such wells are in communication with the unitized formation or would otherwise interfere with Unit operations. The special project rules would also include provisions requiring the operators of wells determined to be in communication with the Unitized Interval to demonstrate how such well may be produced without

interfering with Unit operations or to take such other action determined to be appropriate. The Grama Ridge Morrow Gas Storage Unit is approximately 18 miles west of Eunice, New Mexico.