M.5.

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF ENERGEN RESOURCES CORPORATION TO AMEND ORDER NOS. R-9722-C AND R-10448-A TO REINSTATE THE PROJECT ALLOWABLE FOR THE WEST LOVINGTON STRAWN UNIT AREA, LEA COUNTY, NEW MEXICO.

CASE NO. 12680

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PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Miller, Stratvert & Torgerson, P.A. (J. Scott

Hall) on behalf of Energen Resources Corporation, as required by the Oil Conservation Division.

APPEARANCES

APPLICANT'S ATTORNEY

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

Energen Resources Corporation 605 Richard Arrington Jr. Blvd. North Birmingham, Alabama 35203-2707 (205) 326-8129

OPPONENT'S ATTORNEY

OPPONENT

OTHER PARTY'S ATTORNEY

OTHER PARTY

None to date/unknown

Pre-hearing Statement NMOCD Case No. 12680 Page 2

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order amending consolidated orders R-9722-C and R-10448-A to reinstate the project allowable established under Order No. R-10448 equal to the top unit allowable for the West Lovington-Strawn Pool, now at 250 barrels of oil per day, times the number of developed (production or injection) proration units within the project area. The transfer of allowables among wells within the project area would also be permitted. The West Lovington Strawn Unit is approximately four miles west of Lovington, New Mexico and includes the following described area:

Township 15 South, Range 35 East

Section 28: S/2 S/2 Section 32: E/2 E/2 Section 33: All Section 34: W/2, S/2 NE/4, and SE/4 Section 35: W/2 SW/4

Township 16 South, Range 35 East

Section 1: Lots 1 through 11 and N/2 and SE/4 equivalents of Lot 12

Township 16 South, Range 36 East

Section 5: Lots 3, 4 and 5 Section 6: Lots 1, 2, 6, 7 and 8

PROPOSED EVIDENCE

| WITNESSES: | Est. Time | No. of Exhibits |
|----------------------------------|------------|-----------------|
| Barney Kahn (Petroleum Engineer) | 30 Minutes | 5 |

Pre-hearing Statement NMOCD Case No. 12680 Page 3

PROCEDURAL MATTERS

None.

MILLER, STRATVERT & TORGERSON, P.A.

1. I won full By:____

J. Scott Hall, Esq. Post Office Box 1986 Santa Fe, New Mexico 87504 (505) 989-9614

Attorneys for Energen Resources Corporation