

**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:**

CASE NO. 12743

**APPLICATION OF TEXACO EXPLORATION AND
PRODUCTION, INC. FOR AN UNORTHODOX SUBSURFACE
GAS WELL LOCATION AND AN EXCEPTION TO DIVISION
RULE 104.D (3), LEA COUNTY, NEW MEXICO.**

OIL CONSERVATION DIV.
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PRE-HEARING STATEMENT

This Pre-hearing Statement is submitted by Holland & Hart LLP as required by Oil Conservation Division Rule 1208.B.

APPEARANCES OF PARTIES

APPLICANT:

Texaco Exploration and Production, Inc.
Attention: Charles R. Wolle
Post Office Box 3109
Midland, Texas 79702
(915) 688.2930

ATTORNEY:

William F. Carr, Esq.
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988.4421

STATEMENT OF CASE

Applicant, in accordance with Division Rule 11.C (2), seeks an exception to Division Rule 104.C (3) for its C.H. Weir "A" Well No. 7 (**API No. 30-025-06073**), located at a standard surface gas well location 1985 feet from the South line and 660 feet from the West line (Unit L) of Section 12, Township 20 South, Range 37 East, to be recompleted into the Skaggs-Abo Gas Pool (**85410**) by kicking-off in a northern direction and drilling horizontally an approximate distance of 1,645 feet within an existing non-standard 160-acre gas spacing unit comprising the S/2 NW/4 and N/2 SW/4 of Section 12 (approved by Division Order No. R-7179, issued in Case No. 7761 on January 5, 1983) such that the resulting producing area extends to within 330 feet to the northern boundary of this unit. Further, the applicant seeks an exception to Division Rule 104.D (3) in order to simultaneously dedicate Skaggs Abo gas production from the above-described C.H. Weir "A" Well No. 7 with the

existing C. H. Weir "A" Well No. 14 (API No. 30-025-27829), located at a standard gas well location 1980 feet from the South line and 1815 feet from the West line (Unit K) of Section 12.

PROPOSED EVIDENCE

WITNESS:

ESTIMATED TIME:

EXHIBITS:

Joe Villalobos
(Geology)

20 minutes

Approximately 5

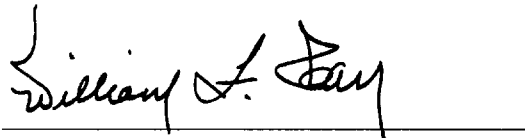
Charles R. Wolle
(Petroleum Engineer)

20 Minutes

Approximately 6

PROCEDURAL MATTERS

Texaco Exploration and Production, Inc. has none at this time.

A handwritten signature in black ink, appearing to read "William F. Carr", is written over a horizontal line.

William F. Carr
ATTORNEY FOR TEXACO EXPLORATION
AND PRODUCTION, INC.