

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 KERR-MCGEE OIL & GAS
ONSHORE LLC TO EXPAND THE INDIAN
BASIN-UPPER PENNSYLVANIAN ASSOCIATED
POOL AND CONCOMITANTLY TO CONTRACT THE
INDIAN BASIN-UPPER PENNSYLVANIAN GAS
POOL, AND FOR APPROVAL OF FOUR NON-
STANDARD GAS PRORATION UNITS, EDDY
COUNTY, NEW MEXICO.

Case No. 12,782

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Kerr-McGee Oil & Gas Onshore LLC as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Kerr-McGee Oil & Gas Onshore LLC
P.O. Box 809004
Dallas, Texas 75380-9004
Attention: Steve Foerster
(972) 715-4608

APPLICANT'S ATTORNEY

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OTHER PARTY

Yates Petroleum Corporation

OTHER PARTY'S ATTORNEY

Michael H. Feldewert

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order expanding the Indian Basin-Upper Pennsylvanian Associated Pool by adding thereto the following described acreage:

Township 21 South, Range 23 East, NMPM
Section 25: All
Section 35: E½
Section 36: W½

Township 21 South, Range 24 East, NMPM
Section 19: All

Township 22 South, Range 23 East, NMPM

Section 1:	W $\frac{1}{2}$
Section 2:	E $\frac{1}{2}$
Section 11:	E $\frac{1}{2}$
Section 12:	W $\frac{1}{2}$
Section 13:	W $\frac{1}{2}$
Section 14:	E $\frac{1}{2}$

Concomitantly, applicant seeks to contract the Indian Basin-Upper Pennsylvanian Gas Pool by deleting therefrom the same acreage. Only one well per quarter section will be allowed in the "extension area," except that any existing units with more than one well per quarter section will be grandfathered-in.

Applicant also seeks approval of (a) the following-described non-standard gas proration units in the Indian Basin-Upper Pennsylvanian Gas Pool: The W $\frac{1}{2}$ of Section 35, Township 21 South, Range 23 East, NMPM; and the W $\frac{1}{2}$ of Section 2, W $\frac{1}{2}$ of Section 11, and W $\frac{1}{2}$ of Section 14, all in Township 22 South, Range 23 East, NMPM, and (b) approval of certain well locations which will be made unorthodox by expanding and contracting the pools.

OPPONENT**PROPOSED EVIDENCE**APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Steve Foerster (landman)	20 min.	Approx. 4
Joe Martin (engineer)	40 min.	Approx. 12

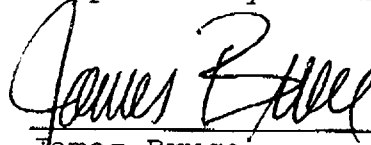
OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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PROCEDURAL MATTERS

-None-

Respectfully submitted,



James Bruce
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(505) 982-2043

Attorney for Kerr-McGee Oil & Gas
Onshore LLC

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Pre-Hearing Statement was served upon the following counsel of record via facsimile transmission this 18th day of December, 2001:

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