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 SAN JUAN RESOURCES, INC. FOR COMPULSORY POOLING AND DOWNHOLE COMMINGLING, SAN JUAN COUNTY, NEW MEXICO. M. .

No. 12796

ENTRY OF APPEARANCE and PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Frank King as required by the Oil Conservation Division.

APPEARANCES

APPLICANT
San Juan Resources, Inc.

OTHER PARTY
Frank King
4580 Belfort Place
Dallas, Texas 75205
(214) 891-2503

APPLICANT'S ATTORNEY
W. Thomas Kellahin

OTHER PARTY'S ATTORNEY
James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

STATEMENT OF THE CASE

APPLICANT

OTHER PARTY

Mr. King is an interest owner in the well unit whose rights are limited in depth from the surface to the top of the Dakota formation. The proposed well will test the Dakota formation. Because of the depth severance, Mr. King will request the Division to consider matters including (1) allocation of well costs between the zones and interest owners, and (2) accurate allocation of production between zones if production from the well is downhole commingled. In addition, Mr. King will request that the nonconsent penalty be reduced below 200%.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

OTHER PARTY

WITNESSES

EST. TIME

EXHIBITS

Frank King (possible)

PROCEDURAL MATTERS

-None-

Respectfully submitted,

Dames Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Frank King

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record via facsimile transmission this 1774 day of January, 2002:

W. Thomas Kellahin Kellahin & Kellahin Post Office Box 2265 Santa Fe, New Mexico 87504 Fax No. (505) 982-2047

James Bruce