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. 12797

APPLICATION OF RICHARDSON PRODUCTION COMPANY FOR COMPULSORY POOLING SAN JUAN COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by RICHARDSON PRODUCTION COMPANY, as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

ATTORNEY

Richardson Operating Co. 1700 Lincoln, Suite 1700 Denver, Colorado 80203 (303) 830-8000 attn: Rebecca E. Van Blaricom

W. Thomas Kellahin KELLAHIN AND KELLAHIN P.O. Box 2265 Santa Fe, New Mexico 87504 (505) 982-4285 NMOCD Case 12797

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STATEMENT OF RICHARDSON PRODUCTION COMPANY

Richardson has a working interest ownership in the oil and gas minerals underlying the SW/4 and the S/2 of Section 17, T29N, R13W, NMPM, San Juan County, New Mexico.

Richardson has proposed to the other interest owners that this well be drilled and completed for potential production from (a) any Pictured Cliffs formation to be dedicated to a 160-acre gas spacing and proration unit consisting of the SW/4 of Section for production; AND (b) any Fruitland Coal Gas formation to be dedicated to a 320-acre gas spacing and proration unit consisting of the S/2 of Section for production from the Basin Fruitland Coal Gas Pool.

Despite its good faith efforts, Richardson has been unable to obtain a written voluntary agreement from all of the working interest and or mineral interest owners. Therefore, Richardson needs an order of the Division pooling the identified and described mineral interests in order to protect correlative rights and prevent waste.

Richardson's well involved the proposed downhole commingling of production of these two pools.

PROPOSED EVIDENCE

<u>APPLICANT</u>:

WITNESSES

EST. TIME EXHIBITS

Rebecca E. Van Blaricom (landman)

David Richardson (geologist)

15 Min. @ 3 exhibits

@ 8 exhibits

PROCEDURAL MATTERS

20 min.

None anticipated at this time.

KELLAHIN AND KELLAHIN

By:

W. Thomas Kellahin P.O. Box 2265 Santa Fc, New Mexico 87504 (505) 982-4285