STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

CASE NO. 12921

IN THE MATTER OF THE HEARING **CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:**

APPLICATION OF V-F PETROLEUM INC. FOR AN UNORTHODOX GAS WELL LOCATION AND SIMULTANEOUS DEDICATION, EDDY COUNTY, **NEW MEXICO**

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

V-F Petroleum, Inc. Attn: Mr. Tom Beall Post Office Box 1889 Midland, Texas 79702

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

STATEMENT OF CASE

APPLICANT

Application of V-F Petroleum Inc. for an unorthodox gas well location and simultaneous dedication, Eddy County, New Mexico. Applicant in the above-styled cause seeks an exception to Division Rule 104.C.(2)(b) to permit the simultaneous dedication of the following wells to an existing 320-acre spacing and proration unit in the Morrow formation, East Cedar Lake-Morrow Gas Pool, comprised of the N/2 of Section 33, Township 17 South, Range 31 East, NMPM:

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- A. the Daneli "33" Federal Well No. 2 which produces from the Middle Morrow zone at a location 1580 feet from the North line and 760 feet from the West line; and
- B. the Dow "B" Federal Well No. 2 which V-f proposes to re-enter and re-complete in the Lower Morrow zone located at an unorthodox gas well location 660 feet from the North line and 2310 feet from the west line.

Said wells are located approximately 7 miles East of Loco Hills, New Mexico.

PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Louis J. Mazzullo (Geologist)	Approximately 15 Minutes	Approximately 4

PROCEDURAL MATTERS

V-F Petroleum Inc. has none at this time.

William F. Carr Attorney for V-F Petroleum Inc.

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