

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

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

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

No. 12996

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

No. 12997

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

BP America Production Company  
501 WestLake Park Boulevard  
Houston, Texas 77079

Attention: Brett C. Woody  
(281) 366-4691

APPLICANT'S ATTORNEY

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

OTHER PARTY

OTHER PARTY'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the  
base of the Pictured Cliffs formation to the top of the Dakota  
formation underlying the following described acreage in Section 24,  
Township 29 North, Range 12 West, NMPM:

- (a) Case No. 12996: The SW $\frac{1}{4}$  to form a standard 160-acre gas  
spacing and proration unit for all formations and/or pools  
developed on 160 acre spacing, including the Undesignated  
Otero-Chacra Gas Pool; and the NW $\frac{1}{4}$ SW $\frac{1}{4}$  to form a standard 40-  
acre oil spacing and proration unit for all formations and/or  
pools developed on 40 acre spacing. The units are to be  
dedicated to applicant's Crawford Gas Unit "B" Well No. 1, to  
be re-completed at an orthodox gas well location/unorthodox  
oil well location in the NW $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 24; and

(b) Case No. 12997: The SE¼ of Section 24 to form a standard 160-acre gas spacing and proration unit for all formations and/or pools developed on 160 acre spacing, including the Undesignated Otero-Chacra Gas Pool. The unit is to be dedicated to applicant's Crawford Gas Com "B" Well No. 1E, to be re-completed at an orthodox gas well location in the NW¼SE¼ of Section 24.

Also to be considered will be the cost of re-completing the wells and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a charge for the risk involved in re-completing the wells.

OTHER PARTY

**PROPOSED EVIDENCE**

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Brett C. Woody (landman)	20 Min.	(a) Land plat (b) Correspondence (c) AFE (d) Notice affidavit (e) Affidavits of Publication (f) Production plat

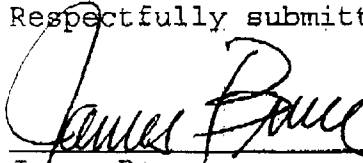
OTHER PARTY

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

The cases involve the same set of facts, so applicant requests that both cases be consolidated for hearing.

Respectfully submitted,



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

Attorney for BP America Production  
Company