m!

MONTGOMERY & ANDREWS, P.A.

325 PASEO DE PERALTA POST OFFICE BOX 2307 SANTA FE, NEW MEXICO 87504-2307

(505) 982-3873

(FAX) (505) 982-4289

March 11, 2003

TELECOPY COVER SHEET

TO:

Oil Conservation Division

Mr. Thomas Kellahin

Mr. J. Scott Hall

TELEFAX NO: (505) 476-3462

ראה אט, שסטבטסט

TELEFAX NO: (505) 982-2047

TELEFAX NO: (505) 989-9857

FROM:

Paul R. Owen, Esq.

TELEPHONE NO: (505) 986-2538

TOTAL PAGES TO FOLLOW:

3

Mcssage: Application of the New Mexico Oil Conservation Division through the Environmental Bureau Chief, for an Order Determining the Responsible Party or Parties and Ordering the Responsible Party or Parties to Conduct Division-Approved Corrective Action with Respect to Hydrocarbon Release, Lea County, New Mexico, OCD Case No. 13004

ATTACHED PLEASE FIND THE ATTACHED AMENDED PREHEARING STATEMENT, WHICH I WOULD LIKE YOU TO FAX FILE TODAY. PLEASE CALL IF YOU HAVE ANY OUESTIONS. THANK YOU.

This fax is being sent from (505) 982-4289

CLIENT NAME: Samedan

CLIENT NO.: 12674-03-01

THE INFORMATION CONTAINED IN THIS FACEMILE TRANSMITTAL IS INTENDED FOR THE PERSONAL AND CONFIDENTIAL USE OF THE DESIGNATED RECIPIENT. THIS TRANSMITTAL MAY BE CONFIDENTIAL OR PRIVILEGED. IN SOUTH THE INTENDED RECIPIENT OR AN AGENT RESPONSIBLE FOR DELIVERY TO THE INTENDED RECIPIENT, BE AWARE THAT ANY REVIEW, DISCLOSURE, COPYING OR DISTRIBUTION OF THIS TRANSMITTAL IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS TRANSMITTAL IN EDROR, PLEASE NOTIFY US BY TELEPHONE IMMEDIATELY SO WE CAN ABRANGE FOR RETRIEVAL AT NO COST TO YOU (COLLECT 505/982-3873). THANK YOU.

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

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENVIRONMENTAL BUREAU CHIEF, FOR AN ORDER DETERMINING THE RESPONSIBLE PARTY OR PARTIES AND ORDERING THE RESPONSIBLE PARTY OR PARTIES TO CONDUCT DIVISION-APPROVED CORRECTIVE ACTION WITH RESPECT TO A HYDROCARBON RELEASE; LEA COUNTY, NEW MEXICO.

CASE NO. 13004

AMENDED PREHEARING STATEMENT

This Prehearing Statement is submitted by Samedan Oil Corporation, by and through counsel, Montgomery & Andrews, P.A. as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

New Mexico Oil Conservation Division

David Brooks, Esq.

New Mexico Oil Conservation Division

1220 South St. Francis Drive Santa Fe, New Mexico 87505

OPPOSITION OR OTHER PARTY

ATTORNEY

Samedan Oil Corporation c/o Arnold J. Johnson, Esq. Noble Energy 350 Glenborough Drive, Suite 100 Houston, Texas 77067-3299

Paul R. Owen, Esq.
Montgomery & Andrews, P.A.
Post Office Box 2307
Santa Fe, New Mexico 87504-2307
(505) 982-3873

Occidental Permian Ltd.

W. Thomas Kellahin, Esq. Post Office Box 2265

Santa Fe, New Mexico 87504-2265

Shell Exploration & Production Company

J. Scott Hall, Esq.
Miller, Stratvert P.A.
Post Office Box 1986
Santa Fe, New Mexico 87504-2265

STATEMENT OF CASE

APPLICANT

The Oil Conservation Division seeks an Order determining the responsible party or parties and ordering the responsible party or parties to conduct Division-approved corrective action with respect to a hydrocarbon release, based on a complaint made by a surface owner, Gary Johnson, in Lea County, New Mexico.

PROPOSED EVIDENCE

SAMEDAN OIL CORPORATION

WITNESSES EST. TIME EXHIBITS

Deb Lambertson Approx. 30 min. Approx. 4

PROCEDURAL MATTERS

The Environmental Bureau of the Oil Conservation Division and Samedan Oil Corporation had reached a tentative agreement to continue the case if Samedan would develop and pursue a workplan. Based on that tentative agreement, Samedan sought continuance of this matter to the May 8, 2003 docket to allow the parties time to implement that agreement. Although that Motion was denied, Samedan will be submitting a request for reconsideration on the afternoon of March 11, 2003.

Occidental Permian, Ltd. has submitted a Motion to Dismiss. The Division has denied that Motion.

MONTGOMERY & ANDREWS, P.A.

Paul R. Owen

Post Office Box 2307

Santa Fe, New Mexico 87504-2307

(505) 982-3873

ATTORNEY FOR SAMEDAN OIL

CORPORATION

CERTIFICATE OF SERVICE

I hereby certify that on this 11th day of March, 2003, I have caused a copy of Samedan's Prehearing Statement in the above-captioned case to be served via facsimile upon the following:

W. Thomas Kellahin, Esq. Kellahin & Kellahin Post Office Box 2265 Santa Fe, New Mexico 87504-2265

J. Scott Hall, Esq.
Miller, Stratvert & Torgerson PA
Post Office Box 1986
Santa Fe, New Mexico 87504-1986

Paul R Owen

MONTGOMERY & ANDREWS, P.A.

325 PASEO DE PERALTA POST OFFICE BOX 2307 SANTA FE, NEW MEXICO 87504-2307 M.

(505) 982-3873

(FAX) (505) 982-4289

March 11, 2003

TELECOPY COVER SHEET

TO:

Oil Conservation Division

Mr. Thomas Kellahin

Mr. J. Scott Hall

TELEFAX NO: (505) 476-3462

רות וונו, שטעבטעש

TELEFAX NO: (505) 982-2047

TELEFAX NO: (505) 989-9857

FROM:

Paul R. Owen, Esq.

TELEPHONE NO: (505) 986-2538

TOTAL PAGES TO FOLLOW:

3

Message: Application of the New Mexico Oil Conservation Division through the Environmental Bureau Chief, for an Order Determining the Responsible Party or Parties and Ordering the Responsible Party or Parties to Conduct Division-Approved Corrective Action with Respect to Hydrocarbon Release, Lea County, New Mexico, OCD Case No. 13004

ATTACHED PLEASE FIND A PREHEARING STATEMENT, WHICH I WOULD LIKE YOU TO FAX FILE TODAY. PLEASE CALL IF YOU HAVE ANY QUESTIONS. THANK YOU.

This fax is being sent from (505) 982-4289

CLIENT NAME: Trilogy

CLIENT NO.: 12658-02-01

THE INFORMATION CONTAINED IN THIS FACEMILE TRANSMITTAL IS INTENDED FOR THE PERSONAL AND CONFIDENTIAL USE OF THE DESCRIPTION. THIS TRANSMITTAL MAY BE CONFIDENTIAL OR PRIVILEGED. TO THE INTENDED RECIPIENT. THIS TRANSMITTAL MAY RESPONSIBLE FOR DELIVERY TO THE INTENDED RECIPIENT, BE AWARE THAT ANY REVIEW, DISCLOSURE, COPYING OR DISTRIBUTION OF THIS TRANSMITTAL IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS TRANSMITTAL IN EBROR, PLEASE NOTIFY US BY TELEPHONE IMMEDIATELY SO WE CAN ARRANGE FOR RETRIEVAL AT NO COST TO YOU (COLLECT 505/982-3873). THANK YOU.

ראה אט, שטטבטטש

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

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENVIRONMENTAL BUREAU CHIEF, FOR AN ORDER DETERMINING THE RESPONSIBLE PARTY OR PARTIES AND ORDERING THE RESPONSIBLE PARTY OR PARTIES TO CONDUCT DIVISION-APPROVED CORRECTIVE ACTION WITH RESPECT TO A HYDROCARBON RELEASE; LEA COUNTY, NEW MEXICO.

CASE NO. 13004

PREHEARING STATEMENT

This Prehearing Statement is submitted by Trilogy Operating, Inc., by and through counsel, Montgomery & Andrews, P.A. as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

New Mexico Oil Conservation Division

David Brooks, Esq.

New Mexico Oil Conservation Division

1220 South St. Francis Drive Santa Fe, New Mexico 87505

OPPOSITION OR OTHER PARTY

ATTORNEY

Samedan Oil Corporation c/o Arnold J. Johnson, Esq. Noble Energy 350 Glenborough Drive, Suite 100 Houston, Texas 77067-3299

Paul R. Owen, Esq. Montgomery & Andrews, P.A. Post Office Box 2307

Santa Fe, New Mexico 87504-2307

(505) 982-3873

Occidental Permian Ltd.

W. Thomas Kellahin, Esq. Post Office Box 2265

Santa Fe, New Mexico 87504-2265

Shell Exploration & Production Company

J. Scott Hall, Esq.
Miller, Stratvert P.A.
Post Office Box 1986
Santa Fe, New Mexico 87504-2265

STATEMENT OF CASE

APPLICANT

The Oil Conservation Division seeks an Order determining the responsible party or parties and ordering the responsible party or parties to conduct Division-approved corrective action with respect to a hydrocarbon release, based on a complaint made by a surface owner, Gary Johnson, in Lea County, New Mexico.

PROPOSED EVIDENCE

SAMEDAN OIL CORPORATION

WITNESSES EST. TIME EXHIBITS

Deb Lambertson Approx. 30 min. Approx. 4

PROCEDURAL MATTERS

The Environmental Bureau of the Oil Conservation Division and Samedan Oil Corporation had reached a tentative agreement to continue the case if Samedan would develop and pursue a workplan. Based on that tentative agreement, Samedan sought continuance of this matter to the May 8, 2003 docket to allow the parties time to implement that agreement. Although that Motion was denied, Samedan will be submitting a request for reconsideration on the afternoon of March 11, 2003.

Occidental Permian, Ltd. has submitted a Motion to Dismiss. The Division has denied that Motion.

MONTGOMERY & ANDREWS, P.A.

Paul R. Owen

Post Office Box 2307

Santa Fe, New Mexico 87504-2307

(505) 982-3873

ATTORNEY FOR SAMEDAN OIL

CORPORATION

CERTIFICATE OF SERVICE

By

I hereby certify that on this 11th day of March, 2003, I have caused a copy of Samedan's Prehearing Statement in the above-captioned case to be served via facsimile upon the following:

W. Thomas Kellahin, Esq. Kellahin & Kellahin Post Office Box 2265 Santa Fe, New Mexico 87504-2265

J. Scott Hall, Esq.
Miller, Stratvert & Torgerson PA
Post Office Box 1986
Santa Fe, New Mexico 87504-1986

Paul R. Owen