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 POGO PRODUCING COMPANY FOR A PILOT PRESSURE MAINTENANCE PROJECT, ETC., EDDY COUNTY, NEW MEXICO. Case No. 13022

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

APPLICANT'S ATTORNEY

Pogo Producing Company P.O. Box 10340 Midland, Texas 79702

James Bruce P.O. Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043

Attention: R. Scott McDaniel

(915) 685-8121

OPPONENT

Yates Petroleum Corporation

William F. Carr

STATEMENT OF THE CASE

APPLICANT

Applicant seeks approval to institute a pilot pressure maintenance project in the Lost Tank-Delaware Pool on State Lease LH-1523, comprising the SE% of Section 2, Township 22 South, Range 31 East, NMPM, by the injection of water into the State "2" Well No. 5, located in Unit P of Section 2. Applicant further seeks to qualify the project for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5).

OPPONENT

See the Pre-Hearing Statement of Yates Petroleum Corporation.

PROPOSED EVIDENCE

APPLICANT

WITNESSES EST. TIME EXHIBITS

Leslyn Wallace 5 min.

(landman)

Tom Gentry (engineer)

25 min.

six

Two

OPPONENT

WITNESSES EST. TIME EXHIBITS

PROCEDURAL MATTERS

-None-

James Bruce

P.O. Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Pogo Producing Company

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing pleading was served upon the following counsel of record this 77 day of March, 2003, by facsimile transmission:

William F. Carr Holland & Hart, LLP Post Office Box 2208 Santa Fe, New Mexico 87504 (505) 988-4421

James Bruce

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. 13022

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APPLICATION OF POGO PRODUCING COMPANY FOR APPROVAL OF A PILOT PRESSURE MAINTENANCE PROJECT AND TO QUALIFY THE PROJECT FOR THE RECOVERED OIL TAX RATE PURSUANT TO THE ENHANCED OIL RECOVERY ACT, EDDY COUNTY, NEW MEXICO.

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Oil Conservation Division

PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

OPPOSITION

ATTORNEY

Yates Petroleum Corporation Attn: Dr. David Boneau 105 South Fourth Street Artesia, New Mexico 88210-2118 (505) 748-4172 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

OPPOSITION

Yates Petroleum Corporation is opposed to the institution of the pilot pressure maintenance project as proposed by Pogo Producing Company in the Lost Tank-Delaware Pool on State Lease LH-1523, comprising the SE/4 of Section 2, Township 22 South, Range 31 East, by the injection of water into the State "2" Well No. 5, located in Unit P of Section 2.

PROPOSED EVIDENCE

APPLICANT

WITNESSES ESTIMATED TIME EXHIBITS

(Name and Expertise)

David Boneau (Petroleum Engineer) Approx. 15 Minutes Approx. 4

PROCEDURAL MATTERS

Yates Petroleum Corporation has none at this time.

William F. Can

Attorney for Yates Petroleum Corporation

CERTIFICATE OF SERVICE

I certify that on March 7, 2003 I served a copy of the foregoing document to the following by

U.S. Mail, postage prepaid
Hand Delivery

 \square Hand Delive $\overline{\times}$ Fax

James Bruce, Esq. Post Office Box 1056

Santa Fe, New Mexico 87504

Telephone: 505-982-2043 Facsimile: 505-982-2151

William F Carr

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