

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. 10291

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION DIVISION
ON ITS OWN MOTION FOR AN ORDER CREATING
AND ASSIGNING DISCOVERY ALLOWABLES TO
CERTAIN POOLS IN LEA COUNTY, NEW MEXICO.

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APR 12 1991

OIL CONSERVATION DIV.
SANTA FE

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by William F. Carr, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

name, address, phone and
contact person

OPPOSITION OR OTHER PARTY

ATTORNEY

Kaiser-Francis Oil Company_____
c/o Jim Wakefield_____
Post Office Box 21468_____
Tulsa, Oklahoma 74121-1468_____
(918) 491-4510_____

name, address, phone and
contact person

William F. Carr_____
Campbell & Black, P.A._____
Post Office Box 2208_____
Santa Fe, New Mexico 87504_____
(505) 988-4421_____

STATEMENT OF CASE

APPLICANT

The Division proposes the assignment of a discovery allowable of 37,930 barrels of oil to the Mitchell Energy Corporation's Geronimo Federal Well No. 1 located in Unit D of Section 31, Township 19 South, Range 33 East, N.M.P.M., to be assigned over a two year period.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

Kaiser-Francis Oil Company believes the Geronimo Federal Well No. 1 may be in communication with other wells it operates in the area and that a discovery allowable will result in excessive drainage from its offsetting proportions.

PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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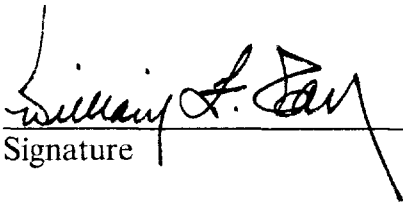
OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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Jim Wakefield, Petroleum Engineer	15 Min.	Approximately 4
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PROCEDURAL MATTERS

Request for a continuance to the May 2, 1991 Examiner Hearing Docket.


Signature

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. 10291

THE OIL CONSERVATION DIVISION'S OWN
MOTION FOR AN ORDER CREATING AND
ASSIGNING DISCOVERY ALLOWABLES TO
CERTAIN POOLS IN LEA COUNTY,
NEW MEXICO

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OIL CONSERVATION DIVISION

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Mitchell Energy Corporation as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

(name, address, phone
and contact person)

Mitchell Energy Corporation
P.O. Box 4000
The Woodlands, TX 77387
Attn: Mark Stephenson
(713) 377-5818

ATTORNEY

W. Thomas Kellahin
Kellahin, Kellahin & Aubrey
P.O. Box 2265
Santa Fe, NM 87504
(505) 982-4285

Pre-hearing Statement
NMOCD Case No. 10291
Page 2

OPPOSITION OR OTHER PARTY
(name, address, phone
and contact person)

Kaiser-Frances

ATTORNEY

William F. Carr
CAMPBELL & BLACK, P.A.
P.O. Box 2208
Santa Fe, NM 87504
(505) 988-4421

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought
with this application and the reasons therefore.)

Mitchell Energy Corporation has made a new discovery of
a Delaware Oil Pool in Lea County, New Mexico which the
Division has designated the Geronimo-Delaware Pool.

Kaiser-Frances has objected to the assignment of a
bonus discovery oil allowable to the Mitchell discovery
well.

PROPOSED EVIDENCE

APPLICANT

WITNESSES (name and expertise)	EST. TIME	EXHIBITS
Don Olive (geologist)	20 Min.	Lease/ production map Structure map Structure cross-section A-A' (E-W) Structural cross-section B-B' (N-S) Isopach map Electric log Well history Tabulation of Production Correspondence Form C-123 Form C-116
Carl Richard (Reservoir Engineer)	20 Min.	

PROCEDURAL MATTERS

(Please identify any procedural matters which need to be resolved prior to the hearing)

As a matter of Division policy, Mitchell is entitled to the discovery oil allowable and the Kaiser-Frances objection should be dismissed.

KELLAHIN, KELLAHIN & AUBREY

By: 

W. Thomas Kellahin

P.O. Box 2265

Santa Fe, New Mexico 87504

(505) 982-4285

KELLAHIN, KELLAHIN AND AUBREY

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

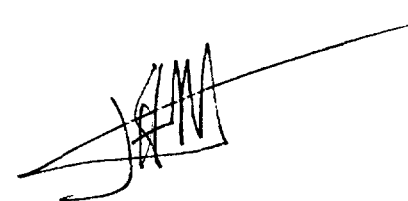
TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

W. THOMAS KELLAHIN
KAREN AUBREY

CANDACE HAMANN CALLAHAN

JASON KELLAHIN
OF COUNSEL

April 12, 1991



Mr. William J. LeMay
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87504

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OIL CONSERVATION DIVISION

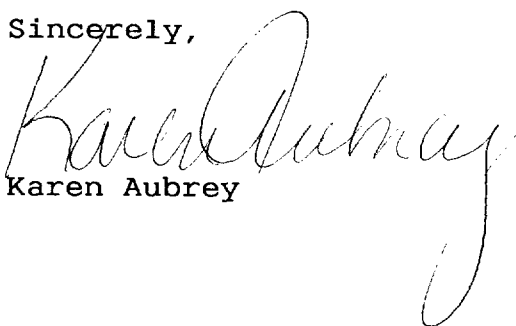
Re: In the Matter of the Hearing
Called by the Oil Conservation
Division on its own Motion for
an Order Creating and Assigning
Discovery Allowables to Certain
Pools in Lea County, New Mexico
NMOCD Case No. 10291

Dear Mr. LeMay:

On behalf of Mitchell Energy Corporation, I
enclose an Entry of Appearance for the above referenced
case which is scheduled for Examiner hearing on April
18, 1991.

Mitchell desires that this case be continued to
the next available docket which is May 2, 1991.

Sincerely,



Karen Aubrey

KA/tic

cc: Mark Stevenson
William F. Carr, Esq.

1989/ltrk412.031

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

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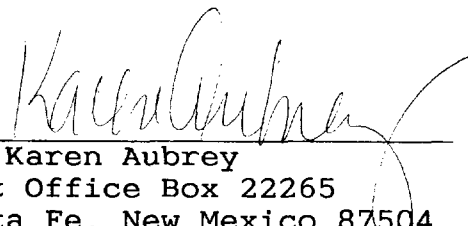
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OIL CONSERVATION DIVISION

ENTRY OF APPEARANCE

COMES NOW Karen Aubrey of KELLAHIN, KELLAHIN &
AUBREY, and enters the firm's appearance on behalf of
Mitchell Energy Corporation.

KELLAHIN, KELLAHIN & AUBREY

By: 
Karen Aubrey
Post Office Box 22265
Santa Fe, New Mexico 87504
(505) 982-4285

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

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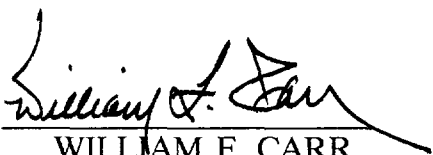
CASE NO. 10291

ENTRY OF APPEARANCE

COMES NOW CAMPBELL & BLACK, P.A., and hereby enters its appearance in
the above referenced case on behalf of Kaiser-Francis Oil Company.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By: 

WILLIAM F. CARR
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

ATTORNEYS FOR KAISER-
FRANCIS OIL COMPANY