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. 10340

APPLICATION OF MERIDIAN OIL INC. FOR A HIGH ANGLE/HORIZONTAL DIRECTIONAL DRILLING PILOT PROJECT, SPECIAL OPERATING RULES THEREFOR, A NON-STANDARD OIL PRORATION UNIT, AN UNORTHODOX GAS WELL LOCATION, AND AN EXCEPTION TO DIVISION ORDER NO. R-5459, AS AMENDED, SAN JUAN COUNTY, NEW MEXICO.

RECEIVED

JUN 2 - 1991

OIL CONSERVATION DIVISION

PRE-HEARING STATEMENT

This prehearing statement is submitted by Campbell & Black, P.A., as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT	ATTORNEY	
Meridian Oil Inc.	W. Thomas Kellahin	
	Kellahin, Kellahin & Aubrey	
	Post Office Box 2265	
	Santa Fe, New Mexico 87504	
	(505) 982-4285	
name, address, phone and		
contact person		
OPPOSITION OR OTHER PARTY	ATTORNEY	
Amoco Production Company	William F. Carr, Esq	
Post Office Box 800	Campbell & Black, P.A.	
Denver, Colorado 80201	Post Office Box 2208	
Attn: Bill Hawkins	Santa Fe, New Mexico 87504	
(303) 830-5072	(505) 988-4421	
name, address, phone and		
contact person		

Pre-hearing Statement NMOCD Case No. 10340 Page 2

STATEMENT OF CASE

APPLICANT

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

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.)

Amoco Production Company supports the above-referenced application. Amoco wants to become a party of record and make a statement at the hearing.

Pre-hearing Statement NMOCD Case No. 10340 Page 3

PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)

EST. TIME

EXHIBITS

OPPOSITION

WITNESSES (Name and expertise)

EST. TIME

EXHIBITS

None.

PROCEDURAL MATTERS

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

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. 10340

APPLICATION OF MERIDIAN OIL INC.
FOR A HIGH ANGLE/HORIZONTAL/
DIRECTIONAL DRILLING PILOT PROJECT,
SPECIAL OPERATING RULES THEREFOR,
A NON-STANDARD OIL PRORATION UNIT,
AN UNORTHODOX GAS WELL LOCATION, AND AN
EXCEPTION TO DIVISION ORDER NO. R-5459,
AS AMENDED, SAN JUAN COUNTY, NEW MEXICO

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by MERIDIAN OIL INC. as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT (name, address, phone and contact person)

ATTORNEY

Meridian Oil Inc.

P.O. Box 4289

Farmington, New Mexico 87499
Attn: Mr. Alan Alexander
(505) 326-9700

W. Thomas Kell
KELLAHIN, KELL
Santa Fe, New
(505) 982-428

W. Thomas Kellahin KELLAHIN, KELLAHIN & AUBREY P.O. Box 2265 Santa Fe, New Mexico 87504 (505) 982-4285

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JUN 21 1991

OIL CONSERVATION DIV.

Pre-hearing Statement NMOCD Case No. 10340 Page 2

STATEMENT OF CASE

APPLICANT

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

Meridian Oil Inc. seeks approval of a high angle, horizontal directional drilling pilot project in the E/2 of Section 34, T30N, R8W, San Juan County, New Mexico.

Meridian further seeks to test the feasibility of increasing ultimate recovery in the Chacra formation with a horizontal well and in order to do so requests the deletion of this acreage from the Blanco Mesaverde Pool; the corresponding extension of the adjacent Navajo City-Chacra Gas Pool; and the dedication of this 320-acre non-standard spacing unit to the Chacra Pool.

Pre-hearing Statement NMOCD Case No. 10340 Page 3

PROPOSED EVIDENCE

APPLICANT

WITNESSES (name and expertise)	EST. TIME	EXHIBITS
Greg Jennings (geologist)	15-20 Min.	Geologic displays Locator map Offset operators
Eric Bauer (P.E.)	15-20 Min.	Plan and vertical view
John Clayton (Drilling)	15 Min.	Production & pressure data
Alan Alexander (landman)	10 Min.	_

PROCEDURAL MATTERS

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

None.

KELLAHIN, KELLAHIN & AUBREY

W. Thomas Kellahin

P.O. Box 2265

Santa Fe, New Mexico 87504

(505) 982-4285

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF MERIDIAN OIL, INC. FOR A HIGH ANGLE/HORIZONTAL DIRECTIONAL DRILLING PILOT PROJECT, SPECIAL OPERATING RULES THEREFOR, A NON-STANDARD OIL PRORATION UNIT, AN UNORTHODOX WELL LOCATION, AND AN EXCEPTION TO DIVISION ORDER NO. R-5459, AS AMENDED, SAN JUAN COUNTY, NEW MEXICO.

RECEIVED

JUN 2 1991

OIL CONSERVATION DIVISION

CASE NO. 10340

ENTRY OF APPEARANCE

COMES NOW CAMPBELL & BLACK, P.A., and hereby enters its appearance in the above referenced case on behalf of Amoco Production Company.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

WILLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR AMOCO PRODUCTION COMPANY

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

RECEIVED

IN THE MATTER OF THE APPLICATION OF MERIDIAN OIL, INC. FOR A HIGH ANGLE/HORIZONTAL DIRECTIONAL DRILLING PILOT PROJECT, SPECIAL OPERATING RULES THEREFOR, A NON-STANDARD OIL PRORATION UNIT, AN UNORTHODOX WELL LOCATION, AND AN EXCEPTION TO DIVISION ORDER NO. R-5459, AS AMENDED, SAN JUAN COUNTY, NEW MEXICO.

JUN 2- 1991

OIL CONSERVATION DIVISION

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