

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

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION FOR THE PURPOSE OF  
CONSIDERING:

CASE NOS. 10345  
and 10346  
(De Novo)

APPLICATION OF BHP PETROLEUM  
(AMERICAS) INC. FOR  
COMPULSORY POOLING,  
SAN JUAN COUNTY, NEW MEXICO.

**RECEIVED**

FEB 21 1992

OIL CONSERVATION DIV.  
SANTA FE

**PRE-HEARING STATEMENT**

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

**APPEARANCES OF PARTIES**

**APPLICANT**

BHP Petroleum (Americas) Inc. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

( )

name, address, phone and  
contact person

**ATTORNEY**

James G. Bruce \_\_\_\_\_  
Hinkle, Cox, Eaton, Coffield & Hensley  
500 Marquette, NW, #800 \_\_\_\_\_  
Albuquerque, New Mexico 87102 \_\_\_\_\_  
(505) 768-1500 \_\_\_\_\_

**OPPOSITION OR OTHER PARTY**

Louise Y. Locke \_\_\_\_\_  
d/b/a Locke-Taylor Drilling Co. \_\_\_\_\_  
139-1/2 East 2nd Street \_\_\_\_\_  
Rifle, CO 81650 \_\_\_\_\_

( )

name, address, phone and  
contact person

**ATTORNEY**

William F. Carr \_\_\_\_\_  
Campbell, Carr, Berge & Sheridan, P.A.  
Post Office Box 2208 \_\_\_\_\_  
Santa Fe, New Mexico 87504 \_\_\_\_\_  
(505) 988-4421 \_\_\_\_\_

**Pre-hearing Statement**

**NMOCD Case Nos. 10345 and 10346 (De Novo)**

**Page 2**

**STATEMENT OF CASE**

**APPLICANT**

**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.)

Louise Y. Locke, d/b/a Locke-Taylor Drilling Company opposes the compulsory pooling applications of BHP Petroleum (Americas) Inc. which affect her interest in the S/2 of Section 23, Township 29 North, Range 13 West, N.M.P.M., San Juan County, New Mexico. BHP failed to seek or obtain voluntary agreement with Mrs. Locke for the development of the W/2 of Section 23 and drilled its Gallegos Canyon Unit Well No. 390 at its own risk. BHP has no right to drill the Gallegos Canyon Unit Well No. 391 in the NE/4 of Section 23 and in so doing, illegally trespassed on Mrs. Locke's lands and has and/or will damage her property interests in the N/2 of Section 23.

**Pre-hearing Statement**

**NMOCD Case Nos. 10345 and 10346 (De Novo)**

**Page 3**

**PROPOSED EVIDENCE**

**APPLICANT**

**WITNESSES**  
(Name and expertise)

**EST. TIME**

**EXHIBITS**

**OPPOSITION**

**WITNESSES**  
(Name and expertise)

**EST. TIME**

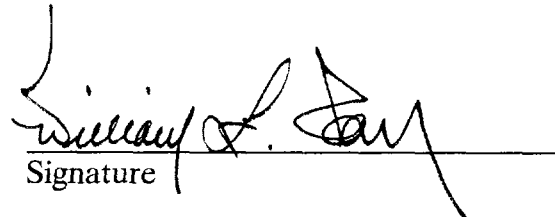
**EXHIBITS**

Richard David Simmons, Sr.,  
(Petroleum Engineer)

20 Min.

Approximately 5

**PROCEDURAL MATTERS**

  
Signature

STATE OF NEW MEXICO  
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IN THE MATTER OF THE HEARINGS  
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Case Nos. 10,345  
and 10,346

APPLICATIONS OF BHP PETROLEUM  
(AMERICAS) INC. FOR COMPULSORY  
POOLING, SAN JUAN COUNTY, NEW  
MEXICO.

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Applicant as  
required by the Oil Conservation Commission.

APPEARANCES OF PARTIES

APPLICANT

BHP Petroleum (Americas) Inc.  
5847 San Felipe, Suite 3600  
Houston, Texas 77057  
(713) 780-5000  
Attention: Donald Reinhardt

ATTORNEY

James Bruce  
Hinkle, Cox, Eaton,  
Coffield & Hensley  
500 Marquette, N.W.  
Suite 800  
Albuquerque, N.M. 87102  
(505) 768-1500

OPPOSITION OR OTHER PARTY

Louise Y. Locke

ATTORNEY

William F. Carr  
Richard T. C. Tully

STATEMENT OF CASE

APPLICANT

Applicant owns or operates the S $\frac{1}{2}$ , and also is the operator of approximately 137 acres of the NE $\frac{1}{4}$ , all in Section 23-29 North-13 West, as to the Fruitland Coal formation. Louise Locke owns the leasehold in the N $\frac{1}{4}$  of Section 23 as to the Fruitland Coal formation. BHP has drilled but not completed wells in the SW $\frac{1}{4}$  and NE $\frac{1}{4}$  of the section, and has dedicated the W $\frac{1}{2}$  and E $\frac{1}{2}$  of Section 23 to said wells, respectively. Louise Locke has refused to join in the drilling of the wells or otherwise commit her interests. Therefore, BHP seeks to pool the Locke

Pre-hearing Statement  
 NMOCC Case Nos. 10,345  
 and 10,346  
 Page 2

interests into the wells, be named operator of both wells, and have a penalty assessed against Louise Locke if she goes non-consent under the pooling orders.

OPPOSITION OR OTHER PARTY

**PROPOSED EVIDENCE**

APPLICANT

WITNESS	EST. TIME	EXHIBITS
Donald Reinhardt (Landman)	25 minutes	(a) Land Plat (b) Correspondence (c) AFE for each Well (d) BLM unit commitment status definitions (e) Unit Agreement and other unit documents (f) Leases and assignments; Farmout Contract
Melissa Torbett (Petroleum Engineer)	10 minutes	(a) Coal thickness map
Chris Camden (Reservoir Engineer)	25 minutes	(Potential witness)

OPPOSITION

WITNESS	EST. TIME	EXHIBITS
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**PROCEDURAL MATTERS**

Applicant proposes that the parties submit a Summary of the Examiner hearing, and limit presentations at the Commission hearing to new evidence and oral arguments.

Pre-hearing Statement  
NMOCC Case Nos. 10,345  
and 10,346  
Page 3

Respectfully Submitted,

HINKLE, COX, EATON, COFFIELD &  
HENSLEY

By 

James Bruce  
500 Marquette, N.W.  
Suite 800  
Albuquerque, N.M. 87102  
(505) 768-1500

Attorneys for Applicant

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of  
the foregoing Pre-Hearing Statement was mailed this 10<sup>th</sup> day  
of January, 1992 to William F. Carr, P. O. Box 2208, Santa  
Fe, New Mexico 87504.

By 

James Bruce