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

MAY 2 8 1992

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

OIL CONSERVATION DIVISION

CASE NO. 10480

**APPLICATION OF MARATHON OIL** COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

### PRE-HEARING STATEMENT

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

### APPEARANCE OF PARTIES

APPLICANT

ATTORNEY

MARATHON OIL COMPANY Post Office Box 552 Midland, Texas 79702 ATTN: Thomas Lowry

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

OPPOSITION OR OTHER PARTY

ATTORNEY

N/A

Pre-Hearing Statement Case No. 10480 Page 2

#### STATEMENT OF CASE

#### APPLICANT

Applicant seeks an order pooling all mineral interests in the Undesignated Lea-Wolfcamp Pool underlying the S/2 of Section 1, Township 20 South, Range 35 East, forming a standard 320-acre gas spacing and proration unit for said pool. Said unit is to be dedicated to the plugged and abandoned Amoco Production Company Selby Well No. 1 located at a standard gas well location 660 feet from the South line 1980 feet from the West line (Unit N) of said Section 1. Also to be considered will be the cost of re-entering and recompleting said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in re-entering and recompleting said well.

Marathon Oil Company has sought the voluntary agreement of the owners of the non-consenting working interests and has been unable to obtain voluntary agreement.

#### OPPOSITION OR OTHER PARTY

N/A

Pre-Hearing Statement Case No. 10480 Page 3

### PROPOSED EVIDENCE

# APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Tom Hill Landman	20 Minutes	6 Exhibits
Greg Wilson Geologist	15 Minutes	3 Exhibits
Wade Wardlow Petroleum Engineer	15 Minutes	2 Exhibits
ORDOGIELON		

# OPPOSITION

SEE OPPOSITION FILING, IF ANY

# PROCEDURAL MATTERS

None applicable at this time.

KELLAHIN, KELLAHIN & AUBREY By:

W. Thomas Kellahin P.O. Box 2265 Santa Fe, New Mexico 87504 (505) 982-4285 ATTORNEYS FOR APPLICANT

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