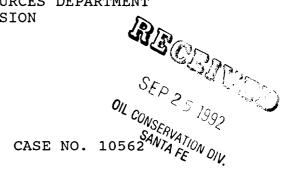


STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION FOR THE PURPOSE OF
CONSIDERING: Application of Siete
Oil & Gas Corporation For a GOR
Limitation Determination, Eddy
County, New Mexico



PRE-HEARING STATEMENT

This prehearing statement is submitted by <u>Ernest L.</u>
<u>Padilla, Esq.</u> as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Siete Oil & Gas Corporation Post Office Box 2523 Roswell, New Mexico 88202 (505) 622-2202

<u>ATTORNEY</u>

Ernest L. Padilla
PADILLA & SNYDER
Post Office Box 2523
Santa Fe, N. M. 87504
(505) 988-7577

OPPOSITION OR OTHER PARTY

ATTORNEY

Other operators in the area will appear in support of the application.

Pre-hearing Statement NMOCD Case No. 10562 Page 2

STATEMENT OF CASE

APPLICANT

(Concise statement of what is being sought with this application and the reasons therefore.)

Applicant requests a GOR increase from 2000-1 to 5000-1 based on reservoir characteristics of the Parkway Delaware Pool.

OPPOSITION OR OTHER PARTY

(Concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

Unknown at this time.

Pre-hearing Statement NMOCD Case No. 10562 Page 3

PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Bruce Ufzynski, Geologist	15-20 Min.	3 Crossections 2 Structure Maps
Robert Lee, Petroleum Engineer	30 Min.	Production Curve Production Data
Danny Wilson, Reservoir Engineer	30 Min.	Reservoir Data Simulator Production Graphs of Production Rates

OPPOSITION

WITNESSES EST. TIME EXHIBITS (Name and expertise)

Not known at this time; but undersigned counsel is informed that other interested parties will support the application. Whether or not such other parties will offer evidence is unknown.

PROCEDURAL MATTERS
(Identify any procedural matters which need to be resolved prior to the hearing.)

Erńest L. Padilla

Hearing Date: October 1, 1992

PADILLA & SNYDER

ATTORNEYS AT LAW

200 W. MARCY, SUITE 216

P.O. BOX 2523

SANTA FE, NEW MEXICO 87504-2523

FACSIMILE: (505) 988-7592 TELEPHONE: (505) 988-7577

FAX TRANSMITTAL COVERSHEET

10562

Date:	Sept 9, 1992
To:	michael Stogner
	Oil Consciution Division
From:	ERNEST L. PADILLA
Fax No.	827.5741
Re:	
	Pages Transmitted Including Coversheet

	(505) 988-7577 ASK FOR
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Note: The Information contained in this facimile message is attorney/client privileged and confidential information intended only for use by the individual or entity named above. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivery to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is in error. If you have received this facsimile in error, please immediately notify us by collect telephone call and return the original message to us at the above address via the U.S. Postal Service.

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

APPLICATION OF SIETE OIL & GAS CORPORATION FOR A GOR LIMITATION DETERMINATION, EDDY COUNTY, NEW MEXICO

NO.	10562

APPLICATION

Applicant states:

- 1. That applicant operates the oil and gas wells in the Parkway Delaware Pool (Pool), in Eddy County, Nev Mexico.
- 2. That the Pool is currently operated upon a GOR limitation in accordance with Rule 506 (a) of the Division's Rules and Regulations because no other GOR limitation has been established for the Pool.
- 3. That Applicant's well and other wells it operates in the Pool, are capable of producing, without waste, at a GOR greater that 2000:1 as set by Rule 506(a).
- 4. the date
 - 5. That approval of this application would be in the best interests of oil and gas conservation.

WHEREFORE, this Applicant requests that this application be set for hearing at the next available hearing of the Division; that this application be approved; and for

such further and proper relief as the Division deems necessary.

Respectfully submitted,

PADILLA & SNYDER

ERNEST L. PADILLA

P. O. Box 2523

Santa Fe, New Mexico 87504

(505) 988-7577

Attorneys for Applicant

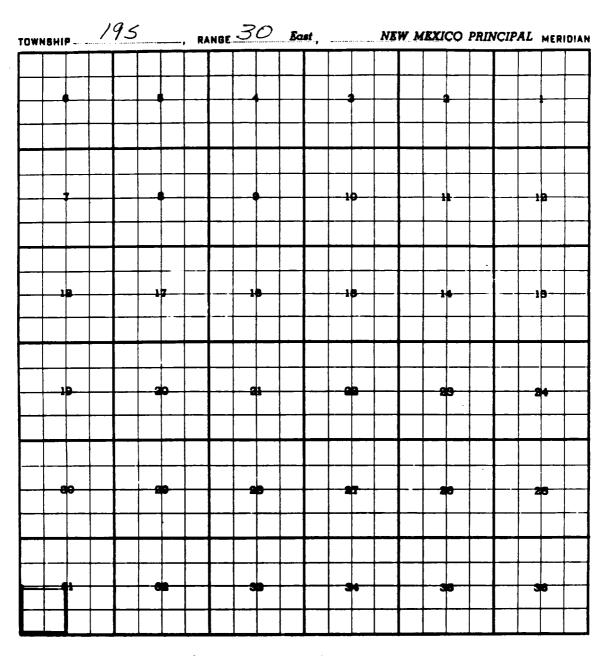
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(R-8227, 12-22-88) EXT: SW/4 SEC. 35 (R-8847, 1-10-89)

EXT: NW/4 Sec. 35 (R-8945, 5-31-89) EXT: SW/4 Sec. 36 (R-8969, 8-1-89)

EXT: SE/4 Sec. 26 E/2 Sec. 36 (R-9096, 1-1-90) EXT: SW/4 SEC. 26 (R-9171, 6-1-90)



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MERIDIAN OIL

OIL CONSER. ON DIVISION REC. (ED

September 30, 1992

Michael E. Stogner Hearing Examiner Oil Conservation Division State Land Office Building Santa Fe, New Mexico 87501 ~S-

Re: Oil Conservation Division
Case No. 10562

Application of Sieta Oil & Gas

GOR Exception

Dear Mr. Stogner:

Meridian Oil Inc. supports the application of Siete Oil & Gas Corporation in the above referenced case. Meridian operates oil wells in the Parkway Delaware Pool and believes that the reservoir characteristics of the pool suggest that higher GOR rates will provide optimum producing rates. We are of the opinion that higher GOR rates will not result in waste.

Sincerely,

Meridian Oil Inc.

D. W. Rader

Engineering Manager

MPG:nak

xc: correspondence file

MERIDIAN OIL

September 30, 1992

Michael E. Stogner
Hearing Examiner
Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87501

Re: Oil Conservation Division
Case No. 10562
Application of Sieta Oil & Gas
GOR Exception

M5.

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Sincerely, Meridian Oil Inc.

D. W. Rader

Engineering Manager

MPG:nak

xc: correspondence file

SEP-30-92 MED 14.44

MERIDIAN OIL INC. P. O. BOX 51810 MIDLAND, TEXAS 79710-1810 (915) 688-6800

TO:	M.E.S	STOGNE	<u>e</u>				
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