

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. 10569

APPLICATION OF HALLWOOD PETROLEUM
INC. FOR COMPULSORY POOLING, SAN
JUAN COUNTY, NEW MEXICO

PRE-HEARING STATEMENT

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

APPEARANCE OF PARTIES

APPLICANT

Hallwood Petroleum Inc.
4582 S. Ulster St, #1700
Denver, CO 80237
ATTN: Kathleen Volk

ATTORNEY

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

OPPOSITION OR OTHER PARTY

ATTORNEY

N/A

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STATEMENT OF CASE

APPLICANT

Applicant seeks an order pooling all mineral interests in the Basin-Fruitland Coal (Gas) Pool, underlying the E/2 of Section 35, Township 32 South, Range 13 West, forming a standard 320-acre gas spacing and proration unit for said pool. Said unit is to be dedicated to a well to be drilled at a standard location in the NE/4 of said Section 35. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well.

OPPOSITION OR OTHER PARTY

See Opposition Filing, if any

PROPOSED EVIDENCE

APPLICANT

| WITNESSES | EST. TIME | EXHIBITS |
|---------------------------------------|------------|------------|
| Kevin O'Connell Petroleum Engineer | 15 Minutes | 4 Exhibits |
| Kathleen Volk Landman | 15 Minutes | 4 Exhibits |

OPPOSITION


| WITNESSES | EST. TIME | EXHIBITS |
|-----------------------|-----------|----------|
| SEE OPPOSITION FILING | | |

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PROCEDURAL MATTERS

None applicable at this time.

KELLAHIN and KELLAHIN

By: 
W. Thomas Kellahin
P.O. Box 2265
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Attorneys for Applicant