

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:

APPLICATION OF SEA COAST, INC.  
FOR COMPULSORY POOLING,  
SAN JUAN COUNTY, NEW MEXICO.

CASE NO. 10623

**PRE-HEARING STATEMENT**

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

**APPEARANCES OF PARTIES**

**APPLICANT**

Sea Coast, Inc. \_\_\_\_\_  
c/o Mike Briggs \_\_\_\_\_  
Post Office Box 50418 \_\_\_\_\_  
Amarillo, Texas 79159-0418 \_\_\_\_\_  
(806) 354-0145 \_\_\_\_\_  
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 \_\_\_\_\_

**OPPOSITION OR OTHER PARTY**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
name, address, phone and  
contact person

**ATTORNEY**

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**STATEMENT OF CASE**

**APPLICANT**

Sea Coast, Inc., applicant in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation in Section 7, Township 29 North, Range 12 West, and in the following described manner: Lots 5 through 9, the N/2 NE/4, and the NW/4 SE/4 (E/2 equivalent) to form a standard 331.45-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent (which presently includes only the Basin-Fruitland Coal (Gas) Pool and Lots 5 and 6 and the N/2 NE/4 (NE/4 equivalent) to form a standard 160.46-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent (which presently includes but is not necessarily limited to the Undesignated West Kutz-Fruitland Sand Pool and Fulcher Kutz-Pictured Cliffs Pool. Said units are to be dedicated to a single well to be drilled at a standard gas well location thereon. 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, and a charge for risk involved in drilling said well. Applicant also requests that Marlex Resources, Inc. be designated operator of the well.

**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.)

**PROPOSED EVIDENCE**

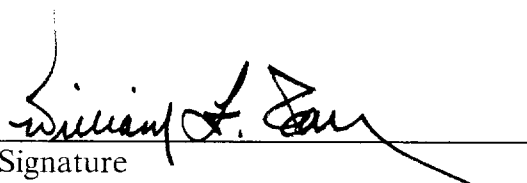
APPLICANT

| WITNESSES<br>(Name and expertise)      | EST. TIME | EXHIBITS        |
|--|-----------|-----------------|
| Mike Briggs or<br>Jim Sullins, Landman | 10 Min.   | Approximately 5 |
| Mickey O'Hare, Engineer                | 10 Min.   | Approximately 3 |

OPPOSITION

| WITNESSES<br>(Name and expertise) | EST. TIME | EXHIBITS |
|-----------------------------------|-----------|----------|
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**PROCEDURAL MATTERS**

  
Signature