DIL CONSERVE UN DIVISION LAW OFFICES
LOSEED CARSON, HAAS & CARROLL, P. A.

ERNEST L.CARROLL
JOEL-M. CARSON
DEAN B. CROSS 94 JUN

300 YATES PETROLEUM BUILDING

5 PM ARTESIA, NEW MEXICO 88211-0239

A.J.LOSEE

MARY LYNN BOGLE

TELEPHONE (505) 746-3505 TELECOPY (505) 746-6316

June 3, 1994

VIA FACSIMILE AND FIRST CLASS MAIL

Mr. William J. LeMay, Director New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

> Arco Permian Appl. for Compulsory Pooling, Case No. 10993

Anadarko Appl. for Compulsory Pooling, Case No. 10996

Clark/Matador Applications for Compulsory Pooling, Case Nos. 11000 and 11001

Dear Mr. LeMay:

I am transmitting herewith Arco Permian's Prehearing Statement for filing in the above-referenced Case No. 10993.

Also enclosed is an Entry of Appearance on behalf of C. W. Stumhoffer and C. Daniel Walker for filing in the Anadarko case (10996) listed above.

I am also enclosing M. Craig Clark's Consolidated Prehearing Statement for filing in cases 11000 and 11001.

Thank you for your assistance.

Very truly yours,

LOSEE, CARSON, HAAS & CARROLL, P.A.

Ewest L. Canall/10714

Ernest L. Carroll

ELC: kth Encl.

JUN _ 8 1901

IN THE MATTER OF THE APPLICATION OF ANADARKO PETROLEUM CORPORATION FOR CUMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 10996

ENTRY OF APPEARANCE

COMES NOW Ernest L. Carroll, Losee, Carson, Haas & Carroll, P. A., an hereby enters his appearance in the above-referenced case on behalf of C. W. Stumhoffer, and C. Daniel Walker.

Respectfully submitted,

LOSEE, CARSON, HAAS, & CARROLL, P.A.

Ernest L. Carroll

P. O. Drawer 239

Artesia, New Mexico 88211-0239

(505) 746-3505

Attorneys for C. W. Stumhoffer and C. Daniel Walker

IN THE MATTER OF THE APPLICATION OF ANADARKO PETROLEUM CORPORATION FOR CUMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 10996

ENTRY OF APPEARANCE

COMES NOW Ernest L. Carroll, Losee, Carson, Haas & Carroll, P. A., an hereby enters his appearance in the above-referenced case on behalf of C. W. Stumhoffer, and C. Daniel Walker.

Respectfully submitted,

LOSEE, CARSON, HAAS, & CARROLL, P.A.

Fragt I Carrol

P. O. Drawer 239

Artesia, New Mexico 88211-0239

(505) 746-3505

Attorneys for C. W. Stumhoffer and C. Daniel Walker

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

APPLICATION OF ANADARKO PETROLEUM CORPORATION FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

No. 10996

ENTRY OF APPEARANCE

COMES NOW CAMPBELL, CARR, BERGE & SHERIDAN, P.A., and hereby enters its appearance in the above referenced case on behalf of Mewbourne Oil Company.

Respectfully submitted,

CAMPBELL, CARR, BERGE & SHERIDAN, P.A.,

WILLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504 Telephone: (505) 988-4421

ATTORNEYS FOR MEWBOURNE OIL COMPANY

CERTIFICATE OF MAILING

I hereby certify that on this day of July, 1994, I have caused to be mailed a copy of our Entry of Appearance in the above-captioned case to:

W. Thomas Kellahin, Esq. Kellahin & Kellahin Post Office Box 2265 Santa Fe, New Mexico 87504-2265

William F Carr

LAW OFFICES

OIL CONSERVE ON DIVISION LOSEE, CARSON, HAAS & CARROLL, P. A.

AM 8 50 JAMES E HAND

A. J. LOSEE

MARY LYNN BOGLE

300 YATES PETROLEUM BUILDING

F. O. DRAWER 239 ARTESIA, NEW MEXICO 88211-0239 (505) 746-3505 TELECOPY (505) 746-6316

July 27, 1994

Mr. William J. LeMay, Director New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

> Application of Anadarko Petroleum Corp., Case No. 10996

Dear Mr. LeMay:

Enclosed herewith is an Entry of Appearance on behalf of Murjo Oil and Royalty, in duplicate, for filing in the above-referenced cause of action.

Very truly yours,

LOSEE, CARSON, HAAS & CARROLL, P.A.

Ernest L. Carroll

ELC:kth Encl.

xc w/encl: Mr. Thomas Kellahin

IN THE MATTER OF THE APPLICATION OF ANADARKO PETROLEUM CORPORATION FOR CUMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 10996

ENTRY OF APPEARANCE

COMES NOW Ernest L. Carroll, Losee, Carson, Haas & Carroll, P. A., and hereby enters his appearance in the above-referenced case on behalf of MURJO OIL AND ROYALTY.

Respectfully submitted,

LOSEE, CARSON, HAAS & CARROLL, P.A.

Bv:

Ernest L. Carroll P. O. Drawer 239

Artesia, New Mexico 88211-0239

(505)746-3505

2 1994

Attorneys for Murjo Oil and Royalty

OSEE, CARSON, HAAS & CARROLL, P. A.

JOEL M. CARSON DEAN B. CROSS TOP GU

300 YATES PETROLEUM BUILDING

JAMES E. HAAS A. J. LOSEE

MARY LYNN BOGLE

ARTESIA, NEW MEXICO 88211-0239

July 28, 1994

TELEPHONE (505) 746-3505 TELECOPY (505) 746-6316

VIA FACSIMILE AND FIRST CLASS MAIL

Mr. William J. LeMay New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Application of Anadarko Petroleum Corporation

for Compulsory Pooling, Lea County, New

Mexico, No√ 10996

Dear Mr. LeMay:

I am enclosing herewith the Frehearing Statement of Murjo, Stumhoffer and Walker for filing in the above-referenced case, in triplicate.

Very truly yours,

LOSEE, CARSON, HAAS & CARROLL, P.A.

Ernest L. Carroll

ELC: kth Encl.

xc w/encl: W. Thomas Kellahin

C. W. Stumhoffer

Betty Davis, Murjo Oil & Royalty

C. Daniel Walker

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF ANADARKO PETROLEUM CORPORATION FOR CUMPULSORY POOLING, LEA COUNTY,

NEW MEXICO

CASE NO. 10996

PREHEARING STATEMENT OF MURJO, STUMHOFFER AND WALKER

This prehearing statement is submitted by Clarence Stumhoffer, C. Daniel Walker, and Murjo Oil and Royalty, opposing parties, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

Anadarko Petroleum Corporation

W. Thomas Kellahin Kellahin and Kellahin P. O. Box 2265

Santa Fe, NM 87504

OPPOSITION OR OTHER PARTY

ATTORNEY

C. W. Stumhoffer P. O. Box 100416

Fort Worth, TX 76185-0416

Losee, Carson, Haas & Carroll, P.A. P. O. Drawer 239

Ernest L. Carroll

Artesia, New Mexico 88211-0239

(505)746-3505

C. Daniel Walker 6729 Grants Lane Fort Worth, TX 76116

Murjo Oil & Royalty
P. O. Box 12666
Forth Worth, TX 76116

STATEMENT OF CASE

OPPOSITION OR OTHER PARTY

Applicant has applied to the Division for an order pooling all mineral interests in the Morrow formation underlying the W/2 of Sec. 22, T18S, R32E, N.M.P.M., Lea County, New Mexico forming a standard 320-acre spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, and proposes to dedicate said pooled unit to its Querecho Plains Unit Well No. 1.

The above opposing parties disagree that Anadarko has made good faith efforts to obtain voluntary agreement, and will testify to that fact. Applicant has omitted pertinent facts concerning said well and concerning its terms of participation, to-wit:

- 1. That the well, as originally drilled, has produced more than 600,000 barrels of oil from the Strawn formation and has paid out.
- 2. That the Morrow formation was opened for production and such production was commingled, without authorization, with production from the Strawn formation.
- 3. That such production should have been applied to any costs of recompletion, and that production has been sufficient to fully pay such costs of recompletion.
- 4. Anadarko, therefore, did not acquire Stumhoffer's, Walker's and Murjo's share of the recompleted well bore and may not require reimbursement from them.
- 5. Anadarko, pursuant to §70-2-18B, NMSA, 1978, is liable to Stumhoffer, Walker and Murjo to account for and pay to them their proportionate share of production.

PROPOSED EVIDENCE

OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
C. W. Stumhoffer, Petroleum Eng.	45 min.	3
Lee Thomas, Murjo Officer	45 min.	3

Respectfully submitted,

LOSEE, CARSON, HAAS & CARROLL, P.A.

Bv:

Ernest L. Carroll P. O. Drawer 239

Artesia, New Mexico 88211-0239

(505) 746-3505

Attorneys for C. W. Stumhoffer, C. Daniel Walker, and Murjo Oil and Royalty

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

1 5 1904

10996

APPLICATION OF ANADARKO PETROLEUM CASE NO. 11096 CORPORATION FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by ANADARKO PETROLEUM CORPORATION, as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT ATT

Anadarko Petroleum Corporation
P. O. Box 1330

Houston, Texas 77251-1330
Attn: Mr. Patrick Smith
(713) 876-8374

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

OTHER PARTIES ATTORNEY

Murjo Oil & Royalty
C. W. Stumhoffer
P. O. Drawer 239
C. Daniel Walker
Artesia, N.M. 87504
(505) 746-3505

STATEMENT OF CASE

Anadarko has acquired 100% ownership of the wellbore now known as the Querecho Plains Unit Well No. 1. Anadarko has a 87.5% of the working interest ownership in the oil and gas minerals in the Morrow formation underlying the W/2 of Section 22, T18S, R32E, NMPM, Lea County, New Mexico.

The Querecho Plains Unit Well No. 1 was originally drilled by Gary L. Bennett, as operator, to a total depth of 14,217 feet at a standard gas well location 1980 feet from the South and West lines (Unit K) of Section 22, then isolated by setting a packer at a depth of 12,400 feet and produced from the Strawn formation.

Anadarko has acquired ownership of the Querecho Plains Unit Well No. 1 and intends to recomplete it as a Morrow formation well capable of gas production.

Anadarko owns all of the working interest in the proposed spacing unit with the exception of the 40-acre tract consisting of the NE/4NW/4 (Unit C) which is subject to a federal lease NM-25457 with the operating rights below 11,746 feet held by other parties.

Anadarko has proposed the subject well and its spacing unit to all the parties who collectively own the remaining 12.5% working interest of the spacing unit. Despite its good faith efforts, Anadarko has been unable to obtain a written voluntary agreement from any of these parties.

Anadarko Petroleum Corporation seeks to be named operator pursuant to a compulsory pooling order which makes provisions for each working interest owners to participate in any Morrow production by reimbursing the applicant for the value of the existing wellbore and the costs of recompleting, equipping and operating the well.

Pre-Hearing Statement NMOCD Case 10996 Page 3

In the event a working interest owner fails to elect to participate, then provision be made to recover out of production, reimbursement to the applicant for the value of the existing wellbore and for the costs of the recompleting, equipping and operating the well, including a risk factor penalty of 200%.

Anadarko requests a provision for overhead rates of \$5,439 per month drilling and \$863 per month operating and a provision providing for an adjustment method of the overhead rates as provided by COPAS.

PROPOSED EVIDENCE

APPLICANT:

WITNESSES EST. TIME EXHIBITS

Patrick Smith (landman) 20 min. @ 8 exhibits

George Buehler 20 Min. @ 10 exhibits

(petroleum engineer)

PROCEDURAL MATTERS

KELLAHIN AND KELLAHIN

W. Thomas Kellahin

P.O. Box 2265

Santa Fe, New Mexico 87504

(505) 982-4285

LAW OFFICES

LOSEE, CARSON, HAAS & CARROLL, P. A.

ERNEST L. CARROLL JOEL M. CARSON DEAN B. CROSS JAMES E. MAAS A.J. LOSEE

MARY LYNN BOGLE

300 YATES PETROLEUM BUILDING P. D. DRAWER 239 ARTESIA, NEW MEXICO 88211-0239 TELEPHONE (505) 746-3505 TELECOPY

(505) 746-6316

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LAW OFFICES

LOSEE, CARSON, HAAS & CARROLL, P. A.

ERNEST L. CARROLL
JOEL M. CARSON
DEAN B. CROSS
JAMES E. HAAS
A.J. LOSEE
MARY LYNN BOGLE

300 YATES PETROLEUM BUILDING P. O. DRAWER 239 ARTESIA, NEW MEXICO 88211-0239 TELEPHONE (\$0\$) 746-3505 TELECOPY (\$08) 746-6316

June 3, 1994

VIA FACSIMILE AND FIRST CLASS MAIL

Mr. William J. LeMay, Director New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

> Re: Arco Permian Appl. for Compulsory Pooling, Case No. 10993

> > Anadarko Appl. for Compulsory Pooling, Case

Clark/Matador Applications for Compulsory Pooling, Case Nos. 11000 and 11001

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Thank you for your assistance.

Very truly yours,

LOSEE, CARSON, HAAS & CARROLL, P.A.

Smest L. Canal/10714

Ernest L. Carroll

Encl.

IN THE MATTER OF THE APPLICATION OF ANADARKO PETROLEUM CORPORATION FOR CUMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 10996

ENTRY OF APPEARANCE

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Respectfully submitted,

LOSEE, CARSON, HAAS, & CARROLL, P.A.

Ernest L. Carroll

P. O. Drawer 239

Artesia, New Mexico 88211-0239

(505)746-3505

Attorneys for C. W. Stumhoffer and C. Daniel Walker