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

AUG 3 0 1990

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

OIL CONSERVATION	DIVISION
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CASE NO. 10058

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APPLICATION OF PHILLIPS PETROLEUM COMPANY FOR EIGHT NON-STANDARD GAS PRORATION UNITS AND SEVEN UNORTHODOX COAL GAS WELL LOCATIONS, SAN JUAN COUNTY, NEW MEXICO

PRE-HEARING STATEMENT

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

APPEARANCE OF PARTIES

APPLICANT (name, address, phone and contact person)

Phillips Petroleum Company 300 W. Arrington, Ste. 200 Farmington, NM 87401 Attn: A. Jay Kieke (505) 599-3140

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

OPPOSITION OR OTHER PARTY ATTORNEY (name, address, phone and contact person)

ATTORNEY

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STATEMENT OF CASE

APPLICANT

(please make a concise statement of what is being sought with this application and the reasons therefore.)

Because of previously approved non-standard proration units issued to Quinoco Petroleum and because of the irregular sized sections in the township, Phillips seeks approval of various non-standard proration units and non-standard locations for the drilling of the coal gas wells identified in the application.

The configuration used by Phillips seeks to dedicate acreage that might otherwise be excluded from participation in a coal gas spacing unit.

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)

None anticipated.

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PROPOSED EVIDENCE

APPLICANT

WITNESSES (name and expertise)	EST. TIME	EXHIBITS
A. Jay Kieke (landman)	15 min.	Locator map Plats of units
T.R. Moore (geologist)	15 min.	ID offsetting operators
Michael Fraim (PE)	10 min.	Geologic maps concerning well locations and units Production

OPPOSITION

WITNESSES	EST. TIME	EXHIBITS
(name and expertise)		

None.

PROCEDURAL MATTERS

(Please identify any procedural matters which need to be resolved prior to the hearing)

KELLAHIN, KELLAHIN & AUBREY < By: W. Thomas Kellahin

information

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