

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. 10110

APPLICATION OF GIANT EXPLORATION
& PRODUCTION COMPANY FOR A
HORIZONTAL DIRECTIONAL DRILLING
PILOT PROJECT AND A NON-STANDARD
OIL PRORATION UNIT,
SAN JUAN COUNTY, NEW MEXICO

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Giant Exploration & Production Company as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Giant Exploration &
Production Company
Post Office Box 2810
Farmington, New Mexico 87499
505-326-3325
name, address, phone
and contact person

ATTORNEY

Tommy Roberts
Post Office Box 1020
Farmington, New Mexico 87499
505-325-1801

OPPOSITION OR OTHER PARTY

No entries of Appearance
have been filed with the Oil
Conservation Division as of
September 27, 1990.
name, address, phone
and contact person

ATTORNEY

STATEMENT OF CASE

APPLICANT

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

Giant Exploration & Production Company seeks the formation of a 482.64 acre non-standard oil spacing and proration unit in the Bisti Lower Gallup Oil Pool comprising the N/2 and the N/2S/2 of Section 4, Township 24 North, Range 11 West, N.M.P.M., San Juan County, New Mexico, to be dedicated to its Debra Geiger No. 1 Well. Giant Exploration & Production Company proposes to drill its Debra Geiger No. 1 Well at a surface location 105' FSL and 125' FEL of Section 32, Township 25 North, Range 11 West, N.M.P.M., San Juan County, New Mexico, to directionally drill said wellbore to a contact point in the Gallup formation 470' FWL and 620' FNL of Section 4, Township 24 North, Range 11 West, N.M.P.M., San Juan County, New Mexico, and to horizontally drill said wellbore from the contact point in a southeasterly direction within the Gallup formation and within a target window described as a rectangle, the outer boundaries of which are 330 feet inside the boundaries of the proposed oil spacing and proration unit. Giant Exploration & Production Company further seeks special rules and procedures within the pilot project area including allowable provisions for the enlarged oil spacing and proration unit.

OPPOSITION OR OTHER PARTY

(Please make a concise statement for opposing this application or otherwise state the position of the party filing this statement.)

Not Applicable

PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
John Corbett, Petroleum Geologist	1/2 Hour	Land Plat Map Showing the extent of the Bisti Lower Gallup sand. Other Exhibits not yet determined
Gregory McIntosh Petroleum Engineer	1/2 Hour	Plan view of proposed horizontal wellbore Horizontal cross section of proposed wellbore Other Exhibits not yet determined

OPPOSITION

WITNESSES
(Name and expertise)

EST. TIME


EXHIBITS

Not Applicable

PROCEDURAL MATTERS

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

None



TOMMY ROBERTS, Attorney for
Giant Exploration & Production Company