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March 15, 1991

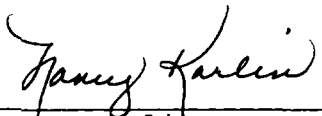
State of New Mexico  
Energy, Minerals & Natural Resources Department  
Oil Conservation Division  
Post Office Box 2088  
Santa Fe, New Mexico 87501-2088

Re: Pre-Hearing Statement - Case No. 10263  
Application for Compulsory Pooling  
Giant Exploration & Production Company  
San Juan County, New Mexico

Gentlemen:

Enclosed please find an original and two copies of Pre-Hearing Statement regarding the above-referenced matter, which has been placed on the Examiner Hearing Docket scheduled for Thursday, March 21, 1991 in Santa Fe, New Mexico. The Pre-Hearing Statement was previously transmitted to you via Facsimile this date.

Sincerely,

  
\_\_\_\_\_  
Nancy Karlin,  
Secy. to TOMMY ROBERTS

:nk  
Enclosures

cc w/encl: Paul M. Lehrman  
Giant Exploration & Production Company

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:

NMOCD CASE NO.10263

**APPLICATION OF GIANT EXPLORATION  
& PRODUCTION COMPANY FOR  
COMPULSORY POOLING  
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 Paul M. Lehrman \_\_\_\_\_  
name, address, phone  
and contact person

ATTORNEY

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

OPPOSITION OR OTHER PARTY

Meridian Oil Inc. \_\_\_\_\_  
Post Office Box 4289 \_\_\_\_\_  
Farmington, New Mexico 87499 \_\_\_\_\_  
505-327-9700 \_\_\_\_\_  
name, address, phone  
and contact person

ATTORNEY

Kellahin, Kellahin and Aubrey \_\_\_\_\_  
Post Office Box 2265 \_\_\_\_\_  
Santa Fe, New Mexico 87504 \_\_\_\_\_  
505-982-4285 \_\_\_\_\_

**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 an order pooling all of Meridian Oil Inc.'s interest in the Basin Fruitland Coal (Gas) Pool underlying the NE/4 of Section 30, T25N-R12W, N.M.P.M., San Juan County, New Mexico, to complete the forming of a standard 320.00 acre gas spacing and proration unit for said pool consisting of the E/2 of Section 30, T25N-R12W, N.M.P.M., to be dedicated to its Bisti Coal 30 Com. No. 1 Well drilled at a standard coal gas well location 790 feet from the North line and 790 feet from the East line (Unit A). Giant Exploration & Production Company requests that such Order designate Giant Exploration & Production Company as the operator of the this well and that it provide for the recovery by Giant Exploration & Production Company and other joining parties of the costs of drilling, completing, equipping and operating the proposed well, together with a reasonable charge for risk involved in drilling the well. In addition, Giant Exploration & Production Company requests that such Order establish a reasonable charge for the supervision of the well during the drilling and production stages.

**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
Paul M. Lehrman, Landman	1/2 Hour	Proof of Notice  Land Plat (Proposed Unit)  Operating Agreement dated November 27, 1990 (covering Bisti Coal 30 Com. #1 well)  Authority for Expenditure (AFE)  Correspondence  Other Exhibits not yet determined
John C. Corbett, Vice-President - Exploration	1/2 Hour	Bisti Area Map  Location Map  Isopach map  Authority for Expenditure (AFE)  Well Log from Area  Other Exhibits not yet determined

**OPPOSITION**

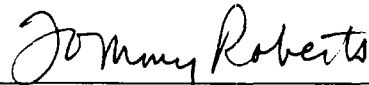
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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Unknown at this time.

**PROCEDURAL MATTERS**

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

None

A handwritten signature in cursive script that reads "Tommy Roberts".

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TOMMY ROBERTS, Attorney for  
Giant Exploration & Production Company