

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

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STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

August 8, 1991

CAMBELL & BLACK
Attorneys at Law
P. O. Box 2208
Santa Fe, New Mexico 87504

RE: CASE NO. 10303
ORDER NO. R-9255-A

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

Florene Davidson
OC Staff Specialist

FD/sl

cc: BLM Farmington Office
OCD Aztec Office

**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. 10303

APPLICATION OF BASF CORPORATION FOR
AMENDMENT OF DIVISION ORDER NO. R-9255,
AS AMENDED BY ORDER NO. R-9255-A, TO
PROVIDE FOR A HORIZONTAL DRILLING PILOT
PROJECT, SPECIAL OPERATING RULES THEREFOR,
A NON-STANDARD OIL PRORATION UNIT AND
AN UNORTHODOX OIL WELL LOCATION,
SAN JUAN COUNTY, NEW MEXICO.

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OIL CONSERVATION DIVISION

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell & Black, P.A., as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

BASF Corporation _____
c/o David Howell _____
5 Post Oak Park, Suite 800 _____
Houston, Texas 77027 _____
(713) 850-2511 _____
name, address, phone and
contact person

ATTORNEY

William F. Carr, Esq. _____
Campbell & Black, 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

STATEMENT OF CASE

APPLICANT

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

BASF Corporation, applicant in the above-captioned cause, seeks to amend Division Order No. R-9255, as amended by R-9255-A, to form a new 160-acre non-standard oil spacing and proration unit for its horizontal directional drilling pilot project comprising the N/2 SW/4, SW/4 SW/4 and NW/4 SE/4 of Section 28, Township 31 North, Range 14 West, as projected into the unsurveyed Ute Mountain Indian Reservation. Applicant proposes to utilize its existing Ute Mt. Tribal "28" Well No. 14 located at an unorthodox surface location 1284 feet from the South line and 1112 feet from the West line (Unit M) of said Section 28, kick-off from vertical at a depth of approximately 4,435 feet in a northeasterly direction. Applicant further seeks special rules and provisions within the pilot project area including the designation of a prescribed area limiting the horizontal displacement of the wellbore such that its productive interval can be no closer than 50 feet to the outer boundary of its assigned spacing and proration unit and special allowable provisions for the corresponding sized oil proration 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.)

PROPOSED EVIDENCE

APPLICANT

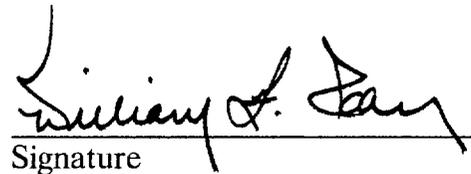
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
David Howell,	20 Min.	Approximately 6

OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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PROCEDURAL MATTERS

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



Signature

CAMPBELL & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
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April 9, 1991

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OIL CONSERVATION DIVISION

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

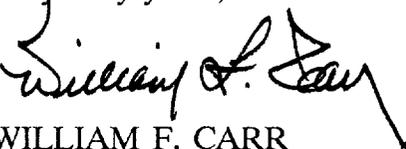
Case 10303

Re: In the Matter of the Application of BASF Corporation for Amendment of Division Order No. R-9255, as Amended by Order No. R-9255-A, to Provide for a Horizontal Drilling Pilot Project, Special Operating Rules Therefore, a Non-Standard Oil Proration Unit, and an Unorthodox Oil Well Location, San Juan County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is an Application of BASF Corporation in the above-referenced case. BASF Corporation respectfully requests that this matter be placed on the docket for the May 2, 1991 Examiner hearings.

Very truly yours,


WILLIAM F. CARR

WFC:mlh

Enclosures

cc w/enclosure: Mr. David Howell