

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

JUN 22 1992

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

OIL CONSERVATION DIVISION

CASE NO. 10495

APPLICATION OF BEACH EXPLORATION,
INC. FOR AMENDMENT OF DIVISION ORDER
NO. R-9453 TO INCREASE THE INJECTION
PRESSURE LIMITATION IN ITS RED LAKE
PENROSE WATERFLOOD PROJECT, EDDY
COUNTY, NEW MEXICO

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by BEACH
EXPLORATION, INC. as required by the Oil Conservation
Division.

APPEARANCE OF PARTIES

APPLICANT

Beach Exploration, Inc.
ATTN: Mr. Hal Gill
800 N. Marienfeld, #200
Midland, TX 79701

ATTORNEY

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

OPPOSITION OR OTHER PARTY

ATTORNEY

N/A

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STATEMENT OF CASE

APPLICANT

Beach Exploration Inc. seeks an amendment to Division Order R-9453 to increase the surface injection pressure limitation to 1500 PSI in each of the 14 existing injection wells located within its Red Lake Fenrose Waterflood Project, Eddy County, New Mexico.

Applicant has previously submitted step rate tests to the Division and is currently authorized a 900 PSI surface injection pressure limitation.

Applicant has developed additional engineering data to demonstrate that increasing the surface pressure limitation to 1500 PSI will not cause fractures to extend outside of the approved flood interval.

OPPOSITION OR OTHER PARTY

N/A

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Hal Gill Petroleum Engineer	30-40 Min.	8 Exhibits
Brad Robinson Petroleum Engineer	30-40 Min.	20 Exhibits

OPPOSITION

WITNESSES	EST. TIME	EXHIBITS
SEE OPPOSITION FILING, IF ANY		

PROCEDURAL MATTERS

None applicable at this time.

KELLAHIN, KELLAHIN & AUBREY

By: 

W. Thomas Kellahin

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ATTORNEYS FOR APPLICANT