



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. 10883

APPLICATION OF PG&E RESOURCES COMPANY  
FOR A UNIT AGREEMENT,  
SANDOVAL COUNTY, NEW MEXICO.

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by PG&E Resources Company as required by the Oil Conservation Division.

**APPEARANCE OF PARTIES**

**APPLICANT**

PG&E Resources Company  
6688 N. Central Expressway,  
Suite 10000  
Dallas, Texas 75206-3922  
Attn: Mr. Jerry Anderson  
(214) 750-3800

**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

**STATEMENT OF CASE**

APPLICANT

PG&E Resources Company seeks approval of an exploratory unit consisting of State, Federal and fee acreage within 39 sections between Cuba and Regina, New Mexico on the eastern flank of the San Juan Basin the main objective of which is oil production from the Niobrara member of the Mancos formation.

The unit configuration is based upon a geologic interpretation of structure and includes the area of optimum open fracture development in the Niobrara dolomitic shale member of the Mancos formation.

The unit method of operation will provide a method for the orderly exploration and development of the unit area which is more efficient than can be obtained with leasehold development.

The applicant is proposed as the unit operator with the initial unit well proposed for a depth of approximately 5,000 feet in Section 4, T21N, R1W, NMPM.

**PROPOSED EVIDENCE**

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Jerry R. Anderson (landman)	10 minutes	BLM approval Unit Agreement Unit JOA
John R. Wingert (geologist)	20 Minutes	index map cross sections structure map

**PROCEDURAL MATTERS**

None applicable at this time.

KELLAHIN & KELLAHIN

By: 

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