

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

**APPLICATION OF PETROGULF  
CORPORATION FOR COMPULSORY  
POOLING, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 23506**

**PRE-HEARING STATEMENT**

Petrogulf Corporation ("Petrogulf" or "Applicant") submits this Pre-Hearing Statement for the above-referenced case pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Petrogulf Corporation

**ATTORNEY**

Earl E. DeBrine, Jr.  
Deana M. Bennett  
Jamie L. Allen  
MODRALL, SPERLING, ROEHL,  
HARRIS & SISK, P.A.  
P. O. Box 2168  
Albuquerque, NM 87103

**INTERESTED PARTY**

None

**ATTORNEY**

**STATEMENT OF CASE**

Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying E/2 of Section 34, all of Section 35 and W/2 of Section 36, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Gambino Federal Com 1H, Gambino Federal Com 2H, Gambino Federal Com 3H, Gambino Federal Com 4H and Gambino Federal Com 5H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. The completed interval for the Gambino Federal Com 5H well is less than 330' from the adjoining tracts and the Division's rules allow for the inclusion of proximity tracts within the proposed spacing unit

for the wells. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Petrogulf as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately ¼ mile west and within Carlsbad, New Mexico.

**PROPOSED EVIDENCE**

**APPLICANT:**

<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Jerry Goedert, Landman	Approx. 5 minutes	Approx. 5
Jana Orlandini, Geologist	Approx. 5 minutes	Approx. 5

**PROCEDURAL ISSUES**

Petrogulf is not aware of any opposition, requests for continuances, or any other procedural issues these cases. Accordingly, Petrogulf does not anticipate opposition and intends to present this case by affidavit.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS  
& SISK, P.A.

By: /s/ Earl E. DeBrine, Jr.

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**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

QUESTIONS

Action 211415

**QUESTIONS**

Operator: Petrogulf Corporation 600 Grant St., Ste. 620 Denver, CO 80203	OGRID: 373806
	Action Number: 211415
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS**

<b>Testimony</b>	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	<i>Not answered.</i>
Testimony time (in minutes)	<i>Not answered.</i>