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

APR 7 2003

IN THE MATTER OF THE APPLICATION OF EGL RESOURCES, INC. FOR COMPULOSRY POOLING LEA COUNTY, NEW MEXICO

Oil Conservation Division

CASE NO. 13049

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Miller Stratvert P.A. (J. Scott Hall) on behalf

of EGL RESOURCES, INC., as required by the Oil Conservation Division.

APPEARANCES

APPLICANTS

EGL Resources, Inc. Post Office Box 10888 Midland, Texas 79702

Mr. Robert E. Landreth 505 North Big Spring, Suite 507 Midland, Texas 79701

OPPONENT

Devon Energy Production Company, L.P. 20 N. Broadway Oklahoma City, OK 73102

OTHER PARTY'S ATTORNEY

APPLICANTS' ATTORNEY

J. Scott Hall, Esq. Miller Stratvert P.A. 150 Washington Ave., Suite 300 Post Office Box 1986 Santa Fe, New Mexico 87504 (505) 989-9614

OPPONENT'S ATTORNEY

W. Thomas Kellahin

OTHER PARTY

STATEMENT OF THE CASE

EGL Resources, Inc. and Robert Landreth seek an order pooling all mineral interests from the base of the Morrow formation to the base of the Devonian formation, North Bell Lake-Devonian Gas Pool, in the 640-acre spacing and proration unit comprised of Section 4, Township 23 South, Range 34 East. Said unit is to be dedicated the Rio Blanco "4" Federal Well No. 1 to be re-entered at a standard gas well location 1980 feet from the North and West lines (Unit F) of said Section 4. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 20 miles southwest of Eunice, New Mexico.

PROPOSED EVIDENCE

WITNESSES	EST. TIME	NO. OF EXHIBITS
Bob Landreth (Petroleum Engineer)	1hr.	14

OPPOSITION

APPLICANT

WITNESSES

EST. TIME

NO. OF EXHIBITS

PROCEDURAL MATTERS

Devon's Application for Compulsory Pooling in Case No. 13048 involves lands that are also the subject of the Application in this case. EGL Resources, Inc. and Robert Landreth have filed a Motion To Dismiss Case No. 13048 and Devon, in turn, has filed a Motion To Dismiss in

-2-

Case No. 13049. Pending the disposition of these motions, Case Nos. 13048 and 13049 should be consolidated for hearing.

MILLER STRATVERT P.A.

1. I wan dull

J. Scott Hall, Esq. Post Office Box 1986 Santa Fe, New Mexico 87504 (505) 989-9614 Attorneys for EGL Resources, Inc. and Robert Landreth

Certificate of Mailing

I hereby certify that a true and correct copy of the foregoing was delivered to counsel of

By:

record on the 7th day of April, 2003, as follows:

_i ₽

Thomas Kellahin, Esq. Post Office Box 2265 Santa Fe, New Mexico 87504 Attorney for Devon Energy Production Company, LP

David Brooks, Esq. New Mexico Oil Conservation Division 1220 St. Francis Dr. Santa Fe, New Mexico

7. Jun Quel

J. Scott Hall