

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:

APPLICATION OF JTD RESOURCES, LLC FOR
COMPULSORY POOLING, LEA COUNTY, NEW
MEXICO.

No. 13,255

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by
the Oil Conservation Division.

APPEARANCES

APPLICANT

JTD Resources, LLC
Post Office Box 3422
Midland, Texas 79702

Attention: Dan Leonard
(915) 682-3712

APPLICANT'S ATTORNEY

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the NW~~1/4~~NW~~1/4~~ of Section 2, Township 20 South, Range 38 East, NMFM, to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within that vertical extent, including but not limited to the Undesignated House Yates-Seven Rivers Pool, Undesignated House-San Andres Pool, Undesignated House-Blinbry Pool, Undesignated House-Tubb Pool, Undesignated House (Drinkard) Pool, and Undesignated House-Abo Pool. The unit is to be dedicated to applicant's White Owl Well No. 1, to be drilled from an orthodox surface location 500 feet from the north line and 330 feet from the west line of Section 2, to a bottomhole location approximately 1310 feet from the north line and 330 feet from the west line of Section 2. The well will be unorthodox in the Tubb, Drinkard, and Abo formations. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Capataz

WJB
4/26/04

Operating, Inc. as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES
Dan Leonard
(landman)

EST. TIME
10 Min.

EXHIBITS
(a) land plat
(b) ownership lists
(c) proposal letters
(d) AFE
(e) notice letter

John Worrall
(geologist)

10 min.

(a) production plat
(b) structure map
(c) cross section

OPPONENT

WITNESSES

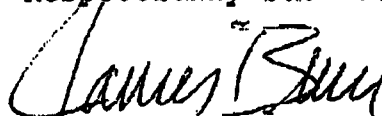
EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for JTD Resources, LLC