

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 MURCHISON OIL & GAS,
INC. FOR COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.

Case No. 13,316

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Murchison Oil & Gas, Inc. as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Murchison Oil & Gas, Inc.
1100 Mira Vista Boulevard
Plano, Texas 75093

Attention: Michael S. Daugherty
(972) 931-0700

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 Morrow formation underlying the following described acreage in Section 19, Township 17 South, Range 27 East, NMPM, and in the following manner: The N $\frac{1}{4}$ to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated Logan Draw-Cisco Canyon Gas Pool, Undesignated Hart Draw-Atoka Gas Pool, and Undesignated Logan Draw-Morrow Gas Pool; the NW $\frac{1}{4}$ to form a standard 160-acre gas spacing and proration unit for any formations and/or pools developed on 160-acre spacing within that vertical extent; and the SE $\frac{1}{4}$ NW $\frac{1}{4}$ to form a standard 40-acre oil spacing and proration unit for any formations and/or pools developed on 40-acre spacing within that vertical extent, including the Undesignated Logan Draw-San Andres Pool. The units are to be dedicated to the Haines Well No. 1, to be drilled at an orthodox well location in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 19. 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 applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES
John Huckabay
(landman)

EST. TIME
15 min.

EXHIBITS
(a) land plat
(b) correspondence
(c) AFE
(d) affidavit of
notice

OPPONENT

WITNESSES

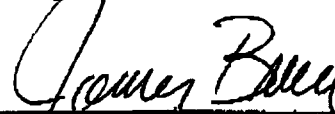
EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,



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

Attorney for Murchison Oil &
Gas, Inc.