

**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. 13039 

**APPLICATION OF DAVID H. ARRINGTON OIL & GAS, INC.
FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.**

RECEIVED

MAR 21 2003

PRE-HEARING STATEMENT

Oil Conservation Division

This Pre-Hearing Statement is submitted by Holland & Hart LLP as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

David H. Arrington Oil & Gas, Inc.
Attention: Bill Baker
Post Office Box 2071
Midland, Texas 79702
(915) 682.6685

ATTORNEY

William F. Carr, Esq.
Holland & Hart LLP and Campbell & Carr
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988.4421

OPPOSITION

Ocean Energy, Inc.
1001 Fannin, Suite 1600
Houston, Texas 77002-6794

ATTORNEY

James Bruce, Esq.
Post Office Box 1056
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STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation in the E/2 for all formations developed on 320-

acre spacing which includes but is not necessarily limited to the Undesignated North Vacuum-Atoka Morrow Gas Pool, and in the NE/4 for all formations developed on 160-acre spacing in Section 8 Township 17 South, Range 35 East, NMPM. Applicant proposes to dedicate this pooled units to its Pink Cahill State "8" Well No. 1 which will be drilled at a standard gas well location 1300 feet from the North line and 990 feet from the east line in Unit A of said Section 8. Also to be considered will 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 7 miles Southwest of Lovington, New Mexico.

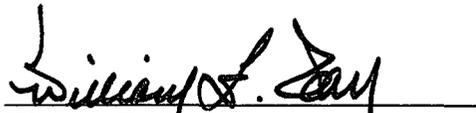
PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Enick Diffe (Landman)	Approx. 10 Minutes	Approx. 4
Bill Baker (Geology)	Approx. 15 Minutes	Approx. 6
Tony Beilman (Reservoir Engineer)	Approx. 15 Minutes	Approx. 4

PROCEDURAL MATTERS

David H. Arrington Oil & Gas, Inc. has none at this time.



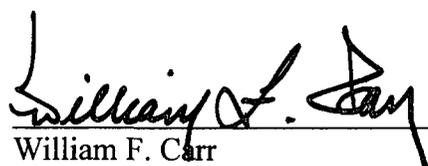
William F. Carr
Attorney for David H. Arrington Oil & Gas, Inc.

CERTIFICATE OF SERVICE

I certify that on March 21, 2003 I served a copy of the foregoing document to the following
by

- U.S. Mail, postage prepaid
- Hand Delivery
- Fax

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