

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

2007 AUG 13 PM 3 38

**IN THE MATTER OF THE APPLICATION
OF MYCO INDUSTRIES, INC., FOR
COMPULSORY POOLING AND NON-
STANDARD ATOKA SPACING UNIT,
EDDY COUNTY, NEW MEXICO**



Case No. 13325

APPLICANT'S PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

Shari Darr Hodges
Myco Industries, Inc.
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Michael H. Feldewert, Esq.
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P.O. Box 2208
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OPPONENT

None.

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None.

APPLICANT'S STATEMENT OF CASE

Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Morrow formation under the following acreage in Section 14, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico: the E/2 to form a standard 320-acre gas spacing and proration unit for all formations or pools spaced on 320 acres within this vertical extent, which presently include but are not necessarily limited to the Undesignated East Carlsbad-Wolfcamp, Undesignated Cedar Hills-Upper Pennsylvanian, Undesignated Burton Flat-Strawn, and the Burton Flat-Morrow Gas Pools; the SE/4 to form a standard 160-acre spacing and proration unit for all formations or pools spaced on 160 acres within this vertical extent, which presently includes

but is not necessarily limited to the East Avalon-Bone Spring Gas Pool; and the SW/4 SE/4 to form a standard 40-acre spacing and proration unit for all formations or pools spaced on 40 acres within this vertical extent. Applicant also seeks the formation of a 160-acre non-standard gas spacing and proration unit for the Atoka formation comprised of the SE/4 of Section 14, which presently includes but is not necessarily limited to the South Burton Flat - Atoka Pool. These spacing and proration units are to be dedicated to the existing Lonetree "14" State Com Well No. 1 located 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 14, which Applicant proposes to re-enter and initially re-complete at a standard location in the Morrow formation.

APPLICANT'S PROPOSED EVIDENCE

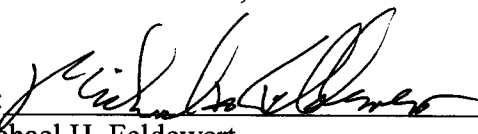
WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Shari Hodges (Land)	Approx. 30 Minutes	Approx. 10

PROCEDURAL MATTERS

No other party has entered an appearance and applicant is not aware of any procedural issues at this time.

Respectfully submitted,

HOLLAND & HART, LLP

By: 
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