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

JAMES BRUCE

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF POGO PRODUCING COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case No. 13,424

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Pogo Producing Company

P.O. Box 10340

Midland, Texas 79702

APPLICANT'S ATTORNEY

James Bruce

P.O. Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attention:

R. Scott McDaniel (432) 685-8121

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks to reinstate Order No. R-12195-A, pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 30, Township 23 South, Range 33 East, NMFM, and in the following manner: The E% to form a standard 320-acre gas spacing and provation unit for any formations and/or pools developed on 320-acre spacing within that vertical extent; the NE% to form a standard 160-acre gas spacing and provation unit for any formations and/or pools developed on 160-acre spacing within that vertical extent; and the SEMNE% to form a standard 40-acre oil spacing and provation unit for any formations and/or pools developed on 40-acre spacing within that vertical extent, including the West Brinninstool-Wolfcamp Pool. The units are to be dedicated to the Foxglove 30 Fed. Well No. 1, to be drilled at an orthodox location in the SEMNE% of Section 30. 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. The order lapsed because the subject well was not timely commenced under the order.

IN THE ABSENCE OF OBJECTION, APPLICANT REQUESTS THAT THIS MATTER BE TAKEN UNDER ADVISEMENT.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

A witness testified in the original hearing on this matter. APPLICANT WILL SUBMIT AN AFFIDAVIT IN SUPPORT OF ITS APPLICATION, UNDER RULE 1207.A(1)(b)

OPPONENT

<u>WITNESSES</u>

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,

James Bruce

F.O. Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Pogo Producing Company