

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

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IN THE MATTER OF THE HEARINGS CALLED
BY THE OIL CONSERVATION COMMISSION FOR
THE PURPOSE OF CONSIDERING:

APPLICATION OF MARSHALL & WINSTON, INC.
FOR APPROVAL OF A NON-STANDARD OIL SPACING
AND PRORATION UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

Case No. 14,868

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Marshall & Winston, Inc. as required by the Oil Conservation Commission.

APPEARANCES

APPLICANT

Marshall & Winston, Inc.
P.O. Box 50880
Midland, Texas 79702

Attention: Kevin Hammit

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order approving an 80-acre non-standard oil spacing and proration unit (project area) in the Glorieta-Yeso formation comprised of the W/2SE/4 of Section 25, Township 19 South, Range 25 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the base of the Glorieta-Yeso formation underlying the NW/4SE/4 of Section 25 to form a standard 40 acre oil spacing and proration unit, and (ii) the Glorieta-Yeso formation underlying the W/2SE/4 of Section 25 to form a non-standard 80 acre oil spacing and proration unit (project area) for all pools or formations developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Boot Hill 25 Well No. 1, a horizontal well with a surface location in the NW/4SE/4, and a terminus in the SW/4SE/4, of Section 25. 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.

PROPOSED EVIDENCE

APPLICANT

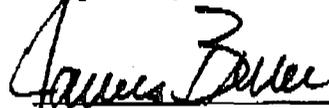
<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Ronnie Miles (landman)	15 min.	Approx. 4
Brent May (geologist)	15 min.	Approx. 3

OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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PROCEDURAL MATTERS

Respectfully submitted,



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

Attorney for Marshall & Winston, Inc.