STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION [F(F)/[-]) ()()[)

IN THE MATTER OF THE APPLICATION OF LRE OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

2012 APR 18 P 3: 35 -

CASE NO. 14819

PRE-HEARING STATEMENT

This Pre-hearing Statement is submitted by LRE Operating, LLC by and through its undersigned counsel, Ernest L. Padilla, PADILLA LAW FIRM, P.A., as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT:

LRE Operating, LLC Charles Regan, Land Manager 1111 Bagby Street, Suite 4600 Houston, TX 77002

ATTORNEY:

Ernest L. Padilla Padilla Law Firm, P.A. P.O. Box 2523 Santa Fe, New Mexico 87504 (505) 988-7577

OPPOSITION OR OTHER PARTY:

(Unknown)

STATEMENT OF CASE

APPLICANT: Applicant seeks an order pooling all mineral interests from the surface of the earth to an approximate depth of 5,100 feet sufficient to test the Yeso formation with its Horseshoe 30 State #1Well, underlying the SE/4 NW/4 of Section 30, Township 17 South, Range 28 East, N.M.P.M. Eddy County, New Mexico.

OPPOSITION OR OTHER PARTY:

(Unknown)

PROPOSED EVIDENCE

APPLICANT

WITNESSES EST. TIME EXHIBITS

Charles Regan 20 min. Proposal correspondence,

(Land Manager) Summary of Contact/Responses,

C-102, AFE, COPUS

Overhead rates

Ernest L. Padilla Affidavit of Service

OPPOSITION

WITNESSES EST. TIME EXHIBITS

(Unknown)

PROCEDURAL MATTERS

None.

PADILLA LAW FIRM, P.A.

ERNEST L. PADILLA

Attorney for LRE Operating, LLC

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