

**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. 12515

2005 JUN 24 PM 3 21

**APPLICATION OF CHENEY ENERGY
PARTNERS, LLC FOR APPROVAL OF A UNIT
AGREEMENT, CHAVES COUNTY, NEW
MEXICO.**

PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

Cheney Energy Partners, LLC
c/o Mitchel E. Cheney
14511 Falling Creek, Suite 300
Houston, Texas 77014
(281) 893-5100

ATTORNEY

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William F. Carr, Esq.
Holland & Hart LLP
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STATEMENT OF CASE

APPLICANT

Applicant seeks approval of the Mescalero Springs State Exploratory Unit for an area comprising 1280.00 acres of State of New Mexico lands in Sections 23 and 24, Township 11 South, Range 31 East, NMPM which is located approximately 4 miles southwest of the Caprock, New Mexico.

5/27/05 JMM

PROPOSED EVIDENCE

APPLICANT

WITNESSES
(Name and Expertise)

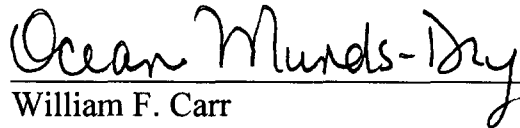
ESTIMATED TIME

EXHIBITS

BY AFFIDAVIT

PROCEDURAL MATTERS

Pursuant to Division policy Cheney Energy Partners, LLC, will present this case by Affidavit.



William F. Carr
Ocean Munds-Dry
Attorneys for Cheney Energy Partners, LLC