

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

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

**APPLICATION OF REGENERATION ENERGY  
CORP. FOR A NON-STANDARD SPACING  
AND PRORATION UNIT AND COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO.**

**Case No. 15,043**

**PRE-HEARING STATEMENT**

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

**APPEARANCES**

**APPLICANT**

Regeneration Energy Corp.  
P.O. Box 210  
Artesia, New Mexico 88211

Attention: Raye Miller  
(575) 736-3535

**APPLICANT'S ATTORNEY**

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

**OPPONENT**

Chevron U.S.A. Inc.

**OPPONENT'S ATTORNEY**

Michael Feldewert  
Holland & Hart LLP

**STATEMENT OF THE CASE**

**APPLICANT**

Applicant seeks an order approving a non-standard 160-acre oil spacing and proration unit in the Bone Spring formation comprised of the E/2E/2 of Section 17, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico, and pooling all mineral interests in the Bone Spring formation underlying the non-standard unit. The non-standard unit is to be dedicated to applicant's Madera 17 Fed. Well No. 1H, to be drilled horizontally from a surface location 330 feet from the north line and 380 feet from the east line, to a bottom hole location 330 feet from the south line and 380 feet from the east line, of Section 17. 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 risk involved in drilling the well.

OPPONENT

**PROPOSED EVIDENCE**

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

Raye Miller

30 min.

Approx. 10

OPPONENT

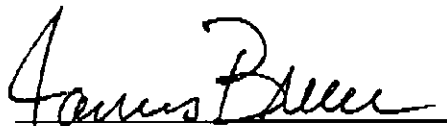
WITNESSES

EST. TIME

EXHIBITS

**PROCEDURAL MATTERS**

Respectfully submitted,




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

Attorney for Regeneration Energy Corp.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 26<sup>th</sup> day of September, 2013 by facsimile transmission:

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James Bruce