

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

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APPLICATION OF ENCANA OIL & GAS (USA) INC.  
FOR APPROVAL OF THE PINON UNIT,  
CREATION OF A NEW POOL FOR HORIZONTAL  
DEVELOPMENT WITHIN THE UNIT AREA, AND  
FOR ALLOWANCE OF 330 FOOT SETBACKS  
FROM THE EXTERIOR OF THE PROPOSED UNIT,  
SAN JUAN COUNTY, NEW MEXICO.

CASE NO. 15154

**PRE-HEARING STATEMENT**  
**PRO NM ENERGY, INC.**

Pro NM Energy, Inc. ("Pro"), submits this Pre-Hearing Statement pursuant to 19.15.4.13(B) N.M.A.C. stating that it does not presently oppose or support the Application, subject to evidence to be presented by the Applicant influencing grounds for a position to be taken by Pro.

The interest of Pro is related to the potential effect of development of the proposed Piñon Unit insofar as concerns the correlative rights of Mancos Shale reservoirs underlying offsetting lands in Township 25 North, Range 10 West, N.M.P.M., and in particular given that the applicant seeks approval of 330 feet setbacks from the exterior of the proposed Unit.

Pro will participate in the hearing. It does not expect to call a witness or offer exhibits.

Respectfully submitted,

GALLEGOS LAW FIRM, P.C.

By J.E. Gallegos  
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*Attorneys for Pro NM Energy, Inc.*

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the foregoing Pre-Hearing Statement Pro NM Energy, Inc. was served by electronic service on this 20th day of May, 2014 on the following counsel of record:

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