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

IN THE MATTER OF THE APPLICATION OF DAVID H. ARRINGTON OIL & GAS, INC. FOR COMPULSORY POOLING EDDY COUNTY, NEW MEXICO

CASE NO. 13734

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Miller Stratvert P.A. (J. Scott Hall) on behalf of David H. Arrington Oil & Gas, Inc., as required by the Oil Conservation Division.

APPEARANCES

APPLICANT'S ATTORNEY	APPLICANT	
J. Scott Hall, Esq. Miller Stratvert P.A. 150 Washington Ave., Suite 300 Post Office Box 1986 Santa Fe, New Mexico 87504 (505) 989-9614		2006 JUN 15
OPPONENT'S ATTORNEY	<u>OPPONENT</u>	Pm 3
James G. Bruce, Esq. Post Office Box 1056 Santa Fe, New Mexico 87504-1056 (505) 982-2043	Devon Energy Production Company,	₽P.

OTHER PARTY'S ATTORNEY

OTHER PARTY

OPPOSITION

WITNESSES

EST. TIME

NO. OF EXHIBITS

PROCEDURAL MATTERS

MILLER STRATVERT P.A.

By:

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(505) 989-9614

Attorneys for David H. Arrington Oil & Gas, Inc.

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Certificate of Mailing

I hereby certify that a true and correct copy of the foregoing was delivered to counsel of record on the /5thay of June, 2006, as follows:

James G. Bruce, Esq. Post Office Box 1056 Santa Fe, New Mexico 87504-1056

J. Scott Hall

STATEMENT OF THE CASE

<u>APPLICANT</u>

Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the E/2 of Section 34, Township 17 South, Range 23 East, NMPM, Eddy County, New Mexico, to form a standard 320-acre gas spacing and proration unit for any and all formations and or pools developed on 320-acres, including but not necessarily limited to the Wolfcamp formation, undesignated Cottonwood Creek Wolfcamp Pool. Said units are to be dedicated to Applicant's proposed Chartreuse Spanker Well No. 1H to be drilled from a surface location 400' from the South line and 1880' from the East line and penetrating the producing interval at a point 660' from the South line and 1880' from the East line, to a bottom hole location 660' from the North line and 1880' from the East line of said Section 34. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of David H. Arrington Oil & Gas, Inc. or its designee as operator of the well and a charge for risk involved in drilling said well.

This case will be continued to July 6, 2006 by agreement of the parties.

OPPOSITION OR OTHER PARTY

PROPOSED EVIDENCE

APPLICANT WITNESSES

EST. TIME

NO. OF EXHIBITS

Jamey Lucas, Landman

20 Minutes

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