

**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:**

**APPLICATION OF READ & STEVENS, INC. FOR
CANCELLATION OF ONE DRILLING PERMIT
AND APPROVAL OF A SECOND DRILLING
PERMIT, CHAVES COUNTY, NEW MEXICO.**

Case No. 13,765

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Read & Stevens, Inc.
Suite 1000
400 North Pennsylvania
Roswell, New Mexico 88201

Attention: John Maxey
(505) 622-3770

APPLICANT'S ATTORNEY

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

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order canceling a drilling permit issued to Samson Resources Company covering the E/2 of Section 22, Township 11 South, Range 31 East, NMPM, and requiring the Division's Artesia District Office to approve applicant's drilling permit covering the N/2 of said Section 22, to form a standard 320-acre gas spacing and proration unit in the Atoka, Morrow, and Mississippian formations.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

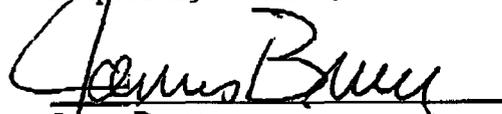
<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Robert Watson (landman)	15 Min.	Approx. 3
John Maxey (engineer)	20 min.	Approx. 4

OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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PROCEDURAL MATTERS

Respectfully submitted,



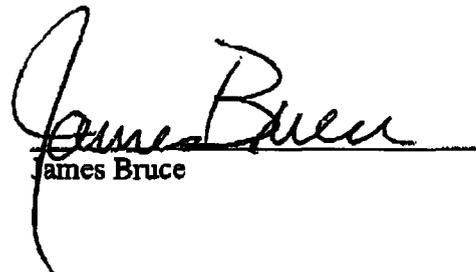
James Bruce
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Attorney for Read & Stevens, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 23rd day of August, 2006 by facsimile transmission:

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