

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

**APPLICATION OF PALADIN ENERGY
CORPORATION FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

Case No. 13823

APPLICANT'S PRE-HEARING STATEMENT

Applicant hereby submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Paladin Energy Corporation
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ATTORNEY

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APPLICANT'S STATEMENT OF CASE

Applicant in the above-styled cause seeks an order pooling all uncommitted mineral interests from the surface to the base of the Mississippian formation underlying the NE/4 SE/4 of Section 34, Township 16 South, Range 38 East, N.M.P.M., Lea County, New Mexico, to form a standard 40-acre spacing and proration unit for all formations and/or pools developed on 40-acre spacing within that vertical extent, which presently includes but is not necessarily limited to the Undesignated Garrett-Drinkard Pool, the Undesignated East Garrett-Drinkard Pool and the Undesignated Garrett-San Andres Pool. This unit is to be dedicated to the WW Hamilton A Well No. 2, to be drilled at a standard location 1980 feet from the South line and 660 feet from the East line in the NE/4 SE/4 (Unit I) of said Section 34 to test the Mississippian formation. 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 applicant as operator of the well and, pursuant to NMRA 19.15.1.35, the imposition of a 200% risk charge against the working interest of any party that elects not to participate in this project. Said area is located approximately 12 miles north of Hobbs, New Mexico.

APPLICANT'S PROPOSED EVIDENCE

WITNESS (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Gail Cotton - Landman	Approx. 10 minutes	Approx. 6

PROCEDURAL MATTERS

Paladin Energy Corporation is not aware of any procedural matters at this time.

Respectfully submitted,

HOLLAND & HART, LLP

By: 
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