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

IN THE MATTER OF THE APPLICATION OF ENCORE OPERATING, L.P. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO. 13847

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Miller Stratvert P.A. (J. Scott Hall) on behalf of Encore Operating, L.P., 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 Encore Operating, L.P.

OPPONENT'S ATTORNEY

OPPONENT

OTHER PARTY'S ATTORNEY

OTHER PARTY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying Section 27, Township 21 South, Range 25 East, NMPM, to form a 640-acre gas spacing and proration unit for all formations and/or pools developed on 6400 acre spacing within that vertical extent, including the Catclaw Draw-Morrow Gas Pool. The unit is to be dedicated to the plugged and abandoned Catclaw Draw Unit Well No. 10, located 1650 feet from the south and east lines of Section 27, which is to be re-named the Encore 27 Catclaw Com. Well No. 1. A completion will be attempted in the Morrow formation. 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 the risk involved in re-entering and completing the well.

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

OPPOSITION OR OTHER PARTY

PROPOSED EVIDENCE

<u>APPLICANT</u>
WITNESSES

EST. TIME

NO. OF EXHIBITS

Zack Brittain (Landman)

20 Minutes

6

OPPOSITION

WITNESSES

EST. TIME

NO. OF EXHIBITS

PROCEDURAL MATTERS

MILLER STRATVERT P.A.

By:

J. Scott Hall, Esq.
Post Office Box 1986
Santa Fe, New Mexico 87504
(505) 989-9614
Attorneys for Encore Operating, L.P.

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