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F.L. HEIDEL  
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February 8, 2007

**VIA FACSIMILE/FEDERAL EXPRESS**

NMOCD  
Department of Energy, Minerals and Natural Resources  
**ATTN: DIVISION CLERK**  
1220 South St. Francis Drive  
Santa Fe, NM 87505

**Re: Application of Quest Resource LLC for Approval  
of an Application for Permit to Drill  
Lea County, New Mexico  
Case No. 13, 870  
Well Location in Section 9  
Township 18 South, Range 38 East, N.M.P.M.  
Lea County, New Mexico**

2007 FEB 9 AM 9 02

To Whom It May Concern:

Enclosed for filing with the New Mexico Oil Conservation Division is an original and three copies of Intervenors Pre-Hearing Statement and Statement of Intent of Intervenors in reference to the above-mentioned matter.

Upon filing of same please return a conformed copy to this office in the enclosed self-addressed stamped envelope.

Your attention to this matter is greatly appreciated. If you have any questions, please do not hesitate to call.

Sincerely,

**HEIDEL, SAMBERSON, NEWELL, COX & McMAHON**

By:



**Michael Newell**

Letter to NMOCD

*Re: Application of Quest Cherokee, LLC*  
*Case No. 13870*

February 8, 2007

Page two.

MTN:cd

Enclosure

pc w/encl:

Intervenors

James Bruce, Esq.

pc via fax:

Mark Fesmire

Cheryl O'Conner

**BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION**

2007 FEB 9 AM 9 03  
**IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION  
DIVISION FOR  
THE PURPOSE OF CONSIDERING:**

**APPLICATION OF QUEST CHEROKEE, LLC  
FOR APPROVAL OF AN APPLICATION FOR  
PERMIT TO DRILL, LEA COUNTY, NEW MEXICO**

**Case No. 13,870**

**PRE-HEARING STATEMENT AND STATEMENT OF INTENT  
OF INTERVENORS**

This pre-hearing statement and statement of intent to participate is submitted by  
Intervenors, Barbara Cox, Steve Cox, Tom Duncan and Lee Roberson, pursuant to rules of the  
New Mexico Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Quest Resources Corporation  
Suite 300  
9520 North May Avenue  
Oklahoma City, Oklahoma 73120  
Attn: David W. Bolton

**APPLICANT'S ATTORNEY**

James Bruce, Esq.  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

**INTERVENORS**

Barbara A. Cox  
1123 College Lane  
Hobbs, New Mexico 88260  
  
Steve Cox  
631 N. Grimes  
Hobbs, New Mexico 88240

**INTERVENORS' ATTORNEY**

Michael Newell, Esq.  
Heidel, Samberson, Newell, Cox & McMahon  
Post Office Drawer 1599  
Lovington, New Mexico 88260  
(505) 396-5303

Lee Roberson  
P.O. Box 368  
Hobbs, NM 88240

Tom Duncan  
Post Office Box 3009  
Hobbs, New Mexico 88261

### **STATEMENT OF THE CASE**

#### **APPLICANT**

Applicant seeks approval of an application for permit to drill its State 9-4 Well No.1 in the NW/4 of Section 9, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico.

#### **INTERVENORS**

Intervenors object to the application because the well location and proposed drilling plan, including the use of open reserve pits, negatively impacts correlative rights, health and the environment. Additionally, Intervenors state Applicant has failed to follow the rules and regulations of this Division and the Application should be dismissed.

### **PROPOSED EVIDENCE**

#### **APPLICANT**

<b><u>WITNESSES</u></b>	<b><u>EST. TIME</u></b>	<b><u>EXHIBITS</u></b>
David Bolton (landman)	10 min.	Approx. 2
Vernon Dyer (landman)	30 min.	Approx. 6
Steven Hochstein (geologist)	20 min.	Approx. 4

#### **INTERVENORS**

Lee Roberson (Intervenor/Resident)	30 min.	Approx. 4
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Barbara Cox  
(Intervenor/Resident)

30 min.

Approx. 4

Tom Duncan  
(Intervenor/Resident)

30 min.

Approx. 4

Steve Cox  
(Intervenor/Resident)

30 min.

Approx. 4

Bruce Baizel  
(Witness)

1 hour

Approx. 10

**PROCEDURAL MATTERS**

**APPLICANT**

Applicant previously requested a two week continuance of this case.

**INTERVENORS**

None.

Respectfully Submitted,

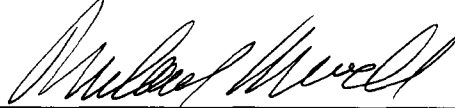
**HEIDEL, SAMBERSON, NEWELL, COX & MCMAHON**  
Post Office Drawer 1599  
Lovington, New Mexico 88260  
(505) 396-5303

By: 

**Michael Newell**  
Attorneys for Intervenors

**CERTIFICATE OF MAILING**

I hereby certify that a true and correct copy of the foregoing was mailed to James Bruce, Esq., Attorney for Quest Cherokee, LLC, Post Office Box 1056, Santa Fe, New Mexico 87504, on this 8<sup>th</sup> day of February, 2007.

A handwritten signature in cursive script, appearing to read "Michael Newell", written over a horizontal line.

**Michael Newell**