

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

2007 MAY 3 PM 2:54

IN THE MATTER OF THE HEARING CALLED BY THE
OIL CONSERVATION DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 3909

APPLICATION OF MARBOB ENERGY CORPORATION
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.

PRE-HEARING STATEMENT

OLD

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the
Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Mr. Raye Miller
Marbob Energy Corporation
Post Office Box 227
Artesia, New Mexico 88211-0227
(505) 748-3303

ATTORNEY

William F. Carr, Esq.
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order pooling all mineral interests from
the surface to the base of the Morrow formation in the following described spacing and
proration units located in the W/2 of Section 14, Township 22 South, Range 26 East,
N.M.P.M., Eddy County, New Mexico: the W/2 for all formations and/or pools developed on
320-acre spacing which includes but is not limited to the Undesignated South Carlsbad-

Morrow Gas Pool, Undesignated South Happy Valley-Atoka Gas Pool, Undesignated Happy Valley-Strawn Gas Pool, Undesignated East Hackberry Hills-Canyon Gas Pool, South Carlsbad-Wolfcamp Gas Pool ; the SW/4 for all formations and/or pools developed on 160-acre spacing; the SE/4 SW/4 for all formations and/or pools developed on 40-acre spacing which includes but is not limited to the Undesignated East Happy Valley-Bone Spring Pool; Said units are to be dedicated to its Commode Hugger Fee Com Well No. 1 (API No. 30-015-34965) to be drilled as a gas well at a standard location 660 feet from the South line and 1850 feet from the West line (Unit N) of said Section 14, to test any and all formations from the surface to the base of the Morrow 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 Marbob Energy Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 2.25 miles north of the Carlsbad Airport, New Mexico.

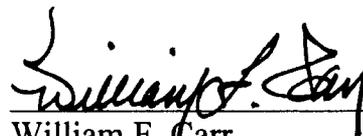
PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Ross Duncan, Landman	Approx. 20 Minutes	Approx. 6

PROCEDURAL MATTERS

Marbob Energy Corporation has none at this time.



William F. Carr

Attorney for Marbob Energy Corporation