

**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 U.S. ENERCORP, LTD. FOR
TWO NON-STANDARD OIL SPACING AND
PRORATION UNITS, RIO ARRIBA COUNTY,
NEW MEXICO.**

Case No. 13,966

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by U.S. Enercorp, Ltd. as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

U.S. Enercorp, Ltd.
Suite 405
8610 North New Braunfels
San Antonio, Texas 78217

Attention: John Sowell
(210) 829-4888

APPLICANT'S ATTORNEY

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

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order approving two non-standard oil spacing and proration units, one comprised of Lots 1, 2, S/2NE/4, and SE/4 (the E/2) of Section 2 (containing 322.65 acres), and one comprised of Lots 3, 4, S/2NW/4, and SW/4 (the W/2) of Section 3 (containing 321.39 acres), both in Township 23 North, Range 1 West, NMPM, for any and all formations or pools developed on 640-acre spacing within that vertical extent, including the West Puerto Chiquito-Mancos Pool. Both proposed units are comprised of federal land.

W.D. 7/30/07

In Case No. 13,951 applicant proposed to form a non-standard unit comprised of the W/2 of Section 2 and E/2 of Section 3. The Bureau of Land Management supported the application, but requested applicant to file an application for the two non-standard units proposed herein.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

Applicant proposes to include the record from Case No.13,951 to support this case.

OPPONENT

WITNESSES

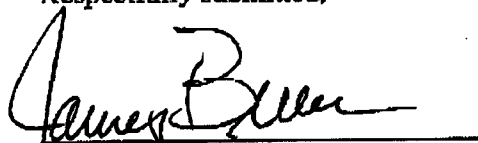
EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,



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

Attorney for U.S. Enercorp, Ltd.