

**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 BEACH EXPLORATION,  
INC. FOR STATUTORY UNITIZATION,  
EDDY COUNTY, NEW MEXICO.**

**Case No. 14,043**

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Beach Exploration, Inc.  
Suite 200  
800 North Marienfeld  
Midland, Texas 79701

Attention: Robert Hinson  
(432) 683-6226

**APPLICANT'S ATTORNEY**

James Bruce  
P.O. Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

**OPPONENT**

Snow Oil & Gas, Inc.

**OPPONENT'S ATTORNEY**

Lisa Curry Gray

**STATEMENT OF THE CASE**

**APPLICANT**

Applicant seeks an order unitizing all mineral interests in the Queen Sand member of the Turkey Track Seven Rivers-Queen-Grayburg-San Andres Pool underlying parts of Sections 1, 2, and 11, Township 19 South, Range 29 East, N.M.P.M., comprising 1040.00 acres of state lands for its proposed Eastland Queen Unit. Among the matters to be considered at hearing, pursuant to the New Mexico Statutory Unitization Act, NMSA 1978 §§70-7-1 *et seq.*, will be: The necessity of unit operations; the determination of horizontal and vertical limits of the unit area; the determination of the fair, reasonable, and equitable allocation of production and costs of production, including capital investments, to each of the tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate.

DEC 04 2007 16:04 JAMES BRUCE 3055822131 P. 3

OPPONENT

**PROPOSED EVIDENCE**

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

Robert Hinson  
(landman)

10 min.

Approx. 3

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

**PROCEDURAL MATTERS**

Respectfully submitted,



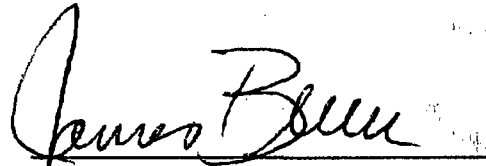
James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

Attorney for Beach Exploration, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 4th day of December, 2007 by United States mail:

Lisa Curry Gray  
Suit E  
227 East Palace Avenue  
Santa Fe, New Mexico 87501



James Bruce