

**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 MYCO INDUSTRIES, INC.
FOR COMPULSORY POOLING, EDDY COUNTY
NEW MEXICO..**

CASE NO. 14155

PRE- HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

Shari Hodges
Myco Industries, Inc.
P.O. Box 840
Artesia, NM
(505) 748-2368

ATTORNEY

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STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order pooling all uncommitted mineral interests in all formations from the surface to the base of the Delaware formation underlying the NE/4 SW/4 of Section 15, Township 21 South, Range 25 East, N.M.P.M., Eddy County, New Mexico, to form a standard 40-acre spacing and proration unit for all formations and/or pools developed on 40-acre spacing including but not limited to the Catchlaw Delaware Pool. This unit is to be dedicated to the Basin 15 Federal Well No. 1, to be drilled at a location 1745 feet from the South line and 1455 feet from the West line in the NE/4 SW/4 (Unit K) of said Section 15 to test the Delaware formation at a depth of approximately 4,000 feet. 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 applicant as operator of the well and, pursuant to NMRA 19.15.1.35, the imposition of a 200% risk charge against the working interest of any party that elects not to participate in this project. Said area is located approximately 8 miles west of Carlsbad, New Mexico

PROPOSED EVIDENCE

WITNESSES

Shari Hodges,
Landman

ESTIMATED TIME

20 Minutes

EXHIBITS

10

PROCEDURAL MATTERS

Myco Industries, Inc., has none at this time.

Respectfully submitted,

HOLLAND & HART LLP

By: Ocean Munds-Dry
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