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**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 NADEL AND GUSSMAN
HEYCO, LLC FOR AN ORDER AUTHORIZING
THE DRILLING OF A WELL IN THE POTASH
AREA, EDDY COUNTY, NEW MEXICO.**

Case No. 14,131

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Nadel and Gussman HEYCO, LLC
Suite 508
601 North Marienfeld

Attention: Emerald Johnson
(432) 682-4429

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 the drilling of its proposed HEYCO State Well No. 2 to an approximate depth of 12,675 feet to test the Morrow Formation (Golden Lane-Morrow Gas Pool) within the Potash Area at a location 1650 feet from the north line and 1980 feet from the west line (Unit F) of Section 32, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico. The W/2 of Section 32 will be dedicated to the well. Applicant also seeks approval of future oil and gas drilling in the W/2 of Section 32 without the necessity of going to hearing.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

Emerald Johnson
(landman)

10 min.

Approx. 4

Gordon Yahney
(geologist)

20 min.

Approx. 4

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,



James Bruce
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Attorney for Nadel and Gussman HEYCO,
LLC