

**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 PARALLEL PETROLEUM
CORPORATION FOR COMPULSORY POOLING,
CHAVES COUNTY, NEW MEXICO.**

Case No. 14,159

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Parallel Petroleum Corporation
Suite 400
1004 North Big Spring
Midland, Texas 79701

Attention: Aaron Myers
(432) 688-3699

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 pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying lots 1-4 and the S/2N/2 (the N/2 equivalent) of Section 4, Township 15 South, Range 25 East, NMPM, to form a standard 320.60-acre gas spacing and proration unit for all formations developed on 320 acre spacing within that vertical extent. The unit is to be dedicated to the proposed Real Quiet 1525-4 Fed. Com. Well No. 1H, to be drilled from a surface location 760 feet from the north line and 190 feet from the east line of Section 5, Township 15 South, Range 25 East, N.M.P.M., with a penetration point 760 feet from the north line and 660 feet from the west line, and a terminus 760 feet from the north line and 660 feet from the east line, of Section 4. Also to be considered will be the cost of drilling and completing

the 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 a 200% charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

Aaron Myers
(landman)

20 min.

Approx. 6

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,



James Bruce
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Attorney for Parallel Petroleum Corporation