

**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 RSC RESOURCES LIMITED  
PARTNERSHIP FOR A NON-STANDARD OIL  
SPACING AND PRORATION UNIT AND COMPULSORY  
POOLING, EDDY COUNTY, NEW MEXICO.**

**Case No. 14,245 (reopened)**

**PRE-HEARING STATEMENT**

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

**APPEARANCES**

**APPLICANT**

RSC Resources LP  
6824 Island Cr.  
Midland, Texas 79707  
Attention: Randy S. Cate

**APPLICANT'S ATTORNEY**

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

**OPPONENT**

**OPPONENT'S ATTORNEY**

**STATEMENT OF THE CASE**

**APPLICANT**

Applicant seeks an order approving a non-standard oil spacing and proration unit (project area) comprised of Lot 4, SE/4SW/4, and S/2SE/4 (the S/2S/2) of Section 30, Township 16 South, Range 28 East, NMPM, to form a non-standard 162.77-acre oil spacing and proration unit (project area) for any and all formations or pools developed on 40-acre spacing within that vertical extent, and pooling all mineral interests in the Wolfcamp formation underlying the non-standard unit. The unit is to be dedicated to the Lucky Wolf "30" Fed. Com. Well No. 1, a horizontal well to be drilled at a surface location 860 feet from the south line and 100 feet from the east line of Section 30. The well will penetrate the Wolfcamp formation at a point approximately 860 feet from the south line and 330 feet from the west line, and have a terminus 990 feet from the south line and 330 feet from the east line, of Section 30. 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

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Kirk Smith (landman)	20 min.	approx. 6
Randy S. Cate (engineer)	20 min.	approx. 4

OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
------------------	------------------	-----------------

**PROCEDURAL MATTERS**

Respectfully submitted,



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

Attorney for RSC Resources Limited  
Partnership