IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF VANGUARD PERMIAN, LLC FOR A NON-STANDARD GAS SPACING AND PRORATION UNIT AND AN UNORTHODOX GAS WELL LOCATION, LEA COUNTY, NEW MEXICO.

C ise No. 14,271

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the O(1 Conservation Division.

APPEARANCES

APPLICANT Vanguard Permian LLC Suite 485 7700 San Felipe Houston, Texas 77063 APPLICANT'S ATTORNEY

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

Attention: Britt Pence (832) 327-2241

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order approving a non-standard gas spacing and proration with in the Queen formation (Byers-Queen Gas Pool) comprised of the N½NE¼ of Section 32, Township 18 South, Range 38 East, NMPM, and an unorthodox gas well location in the Queen formation for the State A Well No. 7, located 760 feet from the north line and 500 feet from the east line of Section 32.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXH BITS

Britt Pence (engineer) 20 min.

Approx. 10

THIS CASE WAS FILED AS AN ADMINISTRATIVE APPLICATION, AND ONE OFFSET OPERATOR FILED AN OBJECTION. IF THE OBJECTOR DOES NOT APPEAR AT THE HEARING APPLICANT WILL REQUEST THAT THIS MATTER BE APPROVED ADMINISTRATIVELY.

OPPONENT

WITNESSES

EST. TIME

EXH BITS

PROCEDURAL MATTERS

Respectfully submitted,

James BrucePost Office Box 1056Santa Fe, New Mexice(505) 982-2043

Attorney for Vanguard Fei nian, LLC