

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

2009 DEC 14 A 8: 24

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

APPLICATION OF T.H. MCELVAIN OIL  
& GAS LIMITED PARTNERSHIP FOR  
COMPULSORY POOLING, LEA COUNTY,  
NEW MEXICO.

Case No. 14,409

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

T.H. McElvain Oil & Gas L.P.  
Suite 1800  
1050 17th Street  
Denver, Colorado 80265

APPLICANT'S ATTORNEY

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

Attention: Linnea Hill

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 Bone Spring formation underlying the following acreage in Section 31, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico: (i) Lot 3 (the NW $\frac{1}{4}$ SW $\frac{1}{4}$ ) to form a 38.03 acre oil spacing and proration unit for any formations and/or pools developed on 40 acre spacing within that vertical extent, including the Undesignated EK Yates-Seven Rivers-Queen Pool and Undesignated EK-Delaware Pool; and (ii) Lots 3 and 4 the (W $\frac{1}{2}$ SW $\frac{1}{4}$ ) to form a 76.12 acre oil spacing and proration unit for any formations and/or pools developed on 80 acre spacing within that vertical extent, including the EK-Bone Spring Pool. The unit is to be dedicated to the proposed McElvain Well No. 10, to be drilled at a location 2240 feet from south line and 990

*Bruce 12/14/09*

feet from the west line of Section 31. 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>
Linnea Hill (landman)	15 min.	Approx. 4

IF THIS MATTER IS UNOPPOSED IT WILL BE SUBMITTED BY AFFIDAVIT.

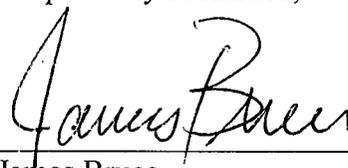
OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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**PROCEDURAL MATTERS**

-None-

Respectfully submitted,



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

Attorney for T.H. McElvain Oil & Gas  
Limited Partnership