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 MARBOB ENERGY CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, **NEW MEXICO.**

CASE NO. 14479

2010 JUN - 3

PRE- HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the Oil Conservation Divison.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

Ross Duncan Marbob Energy Corporation 324 W. Main Street, #103 Artesia, NM 88211-0227 (505) 748-3303

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STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Morrow formation in the following described spacing unit located in the E/2 of Section 34, Township 24 South, Range 25 East, N.M.P.M., Eddy County, New Mexico the E/2 for all formations and/or pools developed on 320-acre spacing within this vertical extent including the Undesignated Chosa Draw-Morrow Gas Pool; the SE/4 for all formations and/or pools developed on 160-acre spacing within this vertical extent; and the NE/4 SE/4 for all formations and/or pools developed on 40-acre spacing within this vertical extent. Said unit is to be dedicated to its Bawh State Com No. 1 to be drilled 1930 feet from the South line and 810 feet from the East line of said Section 34. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for

supervision, designation of Marbob Energy Corporation as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately .25 miles Southwest of Whites City, New Mexico.

PROPOSED EVIDENCE

WITNESSES

ESTIMATED TIME

EXHIBITS

By Affidavit

PROCEDURAL MATTERS

Marbob Energy Corporation, has none at this time.

Respectfully submitted,

HOLLAND & HART LLP

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ATTORNEY FOR MARBOB ENERGY CORPORATION