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:

IN THE MATTER OF CASE NO. 11,409 BEING) REOPENED PURSUANT TO THE PROVISIONS OF) DIVISION ORDER NO. R-10,504, WHICH ORDER) PROMULGATED TEMPORARY SPECIAL RULES AND) REGULATIONS FOR THE SOUTHWEST BRONCO-) WOLFCAMP POOL IN LEA COUNTY, NEW MEXICO,) INCLUDING PROVISIONS FOR 80-ACRE WELL) SPACING AND DESIGNATED WELL LOCATIONS)

OFFICIAL EXHIBIT FILE

EXAMINER HEARING

BEFORE: DAVID R. CATANACH Hearing Examiner

April 17th, 1997

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID R. CATANACH, Hearing Examiner, on Thursday, April 17th, 1997, at the New Mexico Energy, Minerals and Natural Resources Department, Porter Hall, 2040 South Pacheco, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

* * *

STEVEN T. BRENNER, CCR (505) 989-9317 1

CASE NO. 11,409

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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:

CASE NO. 11409 (Reopened)

IN THE MATTER OF CASE NO. 11409 BEING REOPENED PURSUANT TO THE PROVISIONS OF DIVISION ORDER NO. R-10504, WHICH ORDER PROMULGATED TEMPORARY SPECIAL RULES AND REGULATIONS FOR THE SOUTHWEST BRONCO-WOLFCAMP POOL IN LEA COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell, Carr, Berge & Sheridan, P.A., as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

ATTORNEY

Maralo, Inc. c/o Richard Gill Post Office Box 832 Midland, TX 79702 (915) 684-7441

name, address, phone and contact person

OPPOSITION OR OTHER PARTY

William F. Carr, Esq. Campbell, Carr, Berge & Sheridan, P.A. Post Office Box 2208 Santa Fe, New Mexico 87504 (505) 988-4421

name, address, phone and contact person

Pre-hearing Statement NMOCD Case No. 11409 (Reopened) Page 2

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

Maralo Inc., original applicant in the above-styled cause, will present evidnece in support of adopting the temporary pool rules for the Southwest Bronco-Wolfcamp Pool on a permanent basis.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

Pre-hearing Statement NMOCD Case No. 11409 (Reopened) Page 3

PROPOSED EVIDENCE

<u>APPLICANT</u>

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Shane Lough, Geologist	10 Min.	Approximately 4
Richard Gill, Petroleum Engineer	15 Min.	Approximately 3

OPPOSITION

WITNESSESEST. TIMEEXHIBITS(Name and expertise)EST. TIMEEXHIBITS

PROCEDURAL MATTERS

(Please identify any procedural matters which need to be resolved prior to hearing)

Signature