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. 11442

APPLICATION OF ARCO PERMIAN, A UNIT OF ATLANTIC RICHFIELD, FOR COMPULSORY POOLING AND AN UNORTHODOX WELL LOCATION, EDDY COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This prehearing statement is submitted by William F. Carr, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Arco Permian, a unit of Atlantic Richfield Post Office Box 1610 Midland, TX 79702 Attn: Lee M. Scarborough (915) 688-5355_____

name, address, phone and contact person

OPPOSITION OR OTHER PARTY

ATTORNEY

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

ATTORNEY

name, address, phone and contact person

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STATEMENT OF CASE

APPLICANT

Arco Permian, a unit of Atlantic Richfield, applicant in the above-styled cause, seeks an order pooling all mineral interests in the E/2 of Section 32, Township 17 South, Range 28 East, for all formations developed on 320-acre spacing. Said unit is to be dedicated to its Dancer 32 State Com Well No. 1 to be drilled at an unorthodox location 1728 feet from the North line and 916 feet from the East line (Unit H) of said Section 32. 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 applicant as operator of the well and a charge for risk involved in drilling said well.

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.)

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PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Lee Scarborough, Land	20 Min.	Approximately 5
Dave Pearcy, Engineer	20 Min.	Approximately 2

OPPOSITION

WITNESSES (Name and expertise) EST. TIME

EXHIBITS

PROCEDURAL MATTERS

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