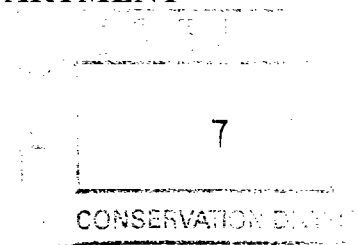


**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

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



CASE NO. 11599

APPLICATION OF GILLESPIE-CROW, INC.
FOR POOL EXPANSION AND CONTRACTION,
POOL CREATION, AND SPECIAL POOL RULES,
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

Gillespie Crow, Inc.

ATTORNEY

James G. Bruce, Esq.
Hinkle, Cox, Eaton, Coffield & Hensley
Post Office Box 2268
Santa Fe, New Mexico 87504-2268

name, address, phone and
contact person

OPPOSITION OR OTHER PARTY

ATTORNEY

Yates Petroleum Corporation
c/o Mecca Mauritsen
105 South Fourth Street
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(505) 748-1471

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Yates Drilling Company
Abo Petroleum Corporation
Myco Industries
Pathfinder Exploration Company
Cannon Exploration Company
Hollyhock Corporation
Tara-Jon Corporation
c/o Mecca Mauritsen
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Lario Oil and Gas Company
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Midland, TX 79701
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Vierson and Cochran
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Rio Pecos Corporation
c/o Mark Wilson
4501 Green Tree Blvd.
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(915)

name, address, phone and
contact person

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Santa Fe, New Mexico 87504
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STATEMENT OF CASE

APPLICANT

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

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.)

Yates Petroleum Corporation, Yates Drilling Company, Abo Petroleum Corporation, Myco Industries, Inc., Rio Pecos Corporation, Pathfinder Exploration Company, Cannon Exploration Company, Hollyhock Corporation, Tara-Jon Corporation, Lario Oil and Gas Company, Vierson and Cochran, Hanley Petroleum Inc. and David Petroleum Inc. will present testimony in opposition to the Gillespie-Crow application on the grounds that it impairs the correlative rights of other owners in this pool and could ultimately result in the waste of oil.

PROPOSED EVIDENCE

APPLICANT

WITNESSES
(Name and expertise)

EST. TIME

EXHIBITS

OPPOSITION

WITNESSES
(Name and expertise)

EST. TIME

EXHIBITS

Mecca Mauritsen, Landman

10 Min.

Approximately 3

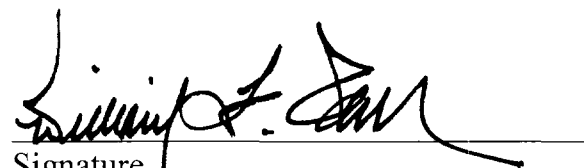
David Boneau,
Petroleum Engineer

15 Min.

Approximately 3

PROCEDURAL MATTERS

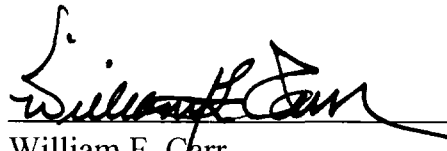
(Please identify any procedural matters which need to be resolved prior to hearing)


Signature

CERTIFICATE OF SERVICE

I hereby certify that I have caused a true and correct copy of the foregoing Pre-Hearing Statement to be mailed on this 21st day of September, 1996 to the following counsel of record:

James G. Bruce, Esq.
Hinkle, Cox, Eaton, Coffield & Hensley
Post Office Box 2268
Santa Fe, New Mexico 87504-2268



William F. Carr