

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

IN THE MATTER OF THE APPLICATION
OF INTERCOAST OIL & GAS COMPANY
FOR COMPULSORY POOLING
EDDY COUNTY, NEW MEXICO

CASE NO. 11657

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

InterCoast Oil & Gas Company
7130 South Lewis Avenue, Suite 700
Tulsa, OK 74136

Rick Deffenbaugh

ATTORNEY

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

OPPOSITION OR OTHER PARTY

ATTORNEY

name, address, phone and contact person

STATEMENT OF CASE

APPLICANT

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

InterCoast Oil & Gas Company, applicant in the above-captioned cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation, underlying the S/2 of Section 21, Township 18 South, Range 28 East in the following manner: the S/2 forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing; the SW/4 forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing; the N/2 SW/4 forming a standard 80-acre spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing; and the NE/4 SW/4 forming a standard 40-acre spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing. Applicant proposes to dedicate this pooled unit to its Illinois Camp State Well No. 21-1 to be drilled to the Morrow formation, North Illinois Camp-Morrow Gas Pool, at a standard location 1980 feet from the South line and 1650 feet from the West line (Unit K) of said Section 21. Also to be considered will be the cost of drilling and completion of 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 and completing 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.)

PROPOSED EVIDENCE

APPLICANT

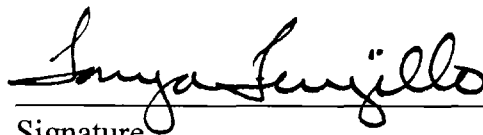
| WITNESSES (Name and expertise) | EST. TIME | EXHIBITS |
|--|-----------|------------------------|
| <u>Rick Deffenbaugh</u> Land | 15 min. | Approximately <u>5</u> |
| <u>Bill Siruta</u> Geologist/Petroleum Engineer | 15 min. | Approximately <u>3</u> |

OPPOSITION

| WITNESSES | EST. TIME | EXHIBITS |
|-----------|-----------|----------|
|-----------|-----------|----------|

PROCEDURAL MATTERS

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


Signature