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 MALLON OIL COMPANY FOR COMPULSORY POOLING AND AN UNORTHODOX WELL LOCATION, LEA COUNTY, NEW MEXICO.

CASE NO. 11702

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Mallon Oil Company Suite 1700 999 18th Street Denver, Colorado 80202 Attn: Randy Stalcup APPLICANT'S ATTORNEY

James Bruce Hinkle, Cox, Eaton, Coffield & Hensley, L.L.P. (303) 293-2333 (ext. 490) (505) 982-4554 P.O. Box 2068

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

OPPONENT

Applicant seeks an order pooling all mineral interests in the N_{2} §30-T19S-R34E, from the surface to the base of the Morrow formation, and approving an unorthodox well location for a well to be drilled 1330 feet FNL and FEL. The unorthodox location is necessary to ensure a reasonable chance of success in the Morrow.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES	<u>EST. TIME</u>	EXHIBITS
Randy Stalcup (Landman)	10 min.	1. Land plat 2. Correspondence 3. Notice letters
Ray Jones (Engineer)	10 min.	1. Structure map 2. Isopach

3. Cross-section

4. AFE

OPPONENT

WITNESSES

<u>est. time</u>

EXHIBITS

PROCEDURAL MATTERS

-None-

HINKLE, COX, EATON, COFFIELD & HENSLEY, L.L.P.

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Attorneys for Mallon Oil Company