

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 FASKEN LAND AND
MINERALS, LTD. FOR COMPULSORY
POOLING AND AN UNORTHODOX GAS WELL
LOCATION, EDDY COUNTY, NEW MEXICO.

Case No. 11,877

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Redstone Oil & Gas Company ("Redstone") as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Fasken Land and Minerals, Ltd.

APPLICANT'S ATTORNEY

W. Thomas Kellahin

OPPONENT

Redstone Oil & Gas Company
Suite 1050
8235 Douglas Avenue
Dallas, Texas 75225
Attention: Joe E. Small
(214) 368-0202

OPPONENT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

STATEMENT OF THE CASE

APPLICANT

OPPONENT

Applicant requests compulsory pooling of all of Section 12, Township 23 South, Range 24 East (Rock Tank-Upper Morrow Gas Pool and Rock Tank-Lower Morrow Gas Pool), for a well to be located at an unorthodox gas well location 500 feet FNL and 2265 feet FWL. Redstone owns an interest in the proposed well, and is also an offset operator. There is an operating agreement covering the proposed well, and thus compulsory pooling is unnecessary. Redstone requests that the case be dismissed for the reasons stated in its Motion to Dismiss filed herein on December 10, 1997.

PROPOSED EVIDENCEAPPLICANTWITNESSESEST. TIMEEXHIBITSOPPONENTWITNESSESEST. TIMEEXHIBITS**PROCEDURAL MATTERS**

Redstone requests that its Motion to Dismiss be argued at the January 8, 1998 hearing. Until that issue is decided, Redstone cannot prepare for the case, and it does not intend to present witnesses on January 8th.

Respectfully submitted,



James Bruce
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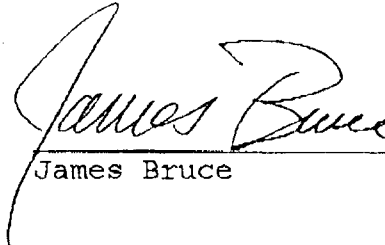
Attorney for Redstone Oil & Gas
Company

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Pre-Hearing Statement was served upon the following counsel of record via facsimile transmission this 5th day of January, 1998:

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