

**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. 12350

00 FEB 23 PM 3:14

OIL CONSERVATION DIV.

APPLICATION OF MCELVAIN OIL AND GAS PROPERTIES, INC.
FOR COMPULSORY POOLING,
RIO ARriba 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

McElvain Oil & Gas Properties, Inc.
Attn: Steve Jordan
409 St. Michaels Drive
Santa Fe, New Mexico 87504-2148
(405) 982-1935 ext. 115
name, address, phone and
contact person

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

NM&O Operating Company
6 East 5th Street, Suite 200
Tulsa, OK 74103

ATTORNEY

James Bruce, Esq.
Post Office Box 1056
Santa Fe, NM 87504

STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order pooling all mineral interests in all formations developed on 320-acre spacing from the base of the Pictured Cliffs Formation to the base of the Mesaverde formation in Lots 3, 4, S/2 NW/4, SW/4 (W/2 Equivalent), of Section 3, Township 25 North, Range 2 West, N.M.P.M. Said units are to be dedicated to its Elk Com 3 Well No. 1A to be drilled to a depth sufficient to test all formations to the base of the Mesaverde formation, Blanco-Mesaverde Gas Pool, at a standard location in the SW/4 of said Section 3. 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. Said area is located approximately 9 miles north of Lindrith, New Mexico.

OPPOSITION OR OTHER PARTY

PROPOSED EVIDENCE

APPLICANT

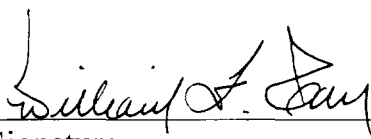
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Steve Jordan (Landman)	15 minutes	Approx. 4
John Steuble (Engineering)	10 minutes	Approx. 6

OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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PROCEDURAL MATTERS

McElvain has none at this time.

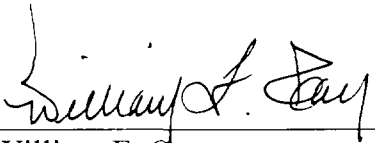


Signature

CERTIFICATE OF MAILING

I hereby certify that on this 23rd day of February, 2000, I have caused to be delivered, a copy of our Pre-Hearing Statement in the above-captioned cases to the following counsel of record via the US Postal Service.

James Bruce, Esq.
P.O. Box 1056
Santa Fe, New Mexico 87504



William F. Carr