

**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. 12396

**APPLICATION OF NEARBURG EXPLORATION COMPANY, L.L.C.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

OIL CONSERVATION DIV
09 APR 23 PM 12:54

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

Nearburg Exploration Company, L.L.C.
c/o Mark Wheeler
3300 North "A" St., Bldg. 2, Ste. 120
Midland, Texas 79705
(915) 686-8235
(915) 686-7826 Fax

ATTORNEY

William F. Carr, Esq.
Campbell, Carr, Berge & Sheridan, P.A.
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421
(505) 983-6043

OPPOSITION OR OTHER PARTY

Falconer Resources
P.O. Box 7995
Tyler, Texas 75711

ATTORNEY

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

STATEMENT OF CASE

APPLICANT

Applicant seeks an order pooling all mineral interests underlying the E/2 of Section 12, Township 22 South, Range 25 East, NMPM, Eddy County, New Mexico, to form a standard 320-acre gas spacing and proration unit for formations and/or pools developed on 320-acre spacing within that vertical extent, including but not limited to the undesignated Catclaw Draw-Wolfcamp Gas Pool, undesignated Hackberry Hills-Canyon Gas Pool, undesignated Hackberry Hills-Atoka Gas Pool, and Revelation-Morrow Gas Pool. Said spacing and proration units are to be dedicated to Nearburg's proposed White Tip 12 Fed. Com. Well # 1, to be drilled at standard location in the SE/4 (Unit P) of said Section 12. 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 Nearburg Producing Company, as operator of the well; and, a charge for risk involved in drilling said well. Said area is located approximately 7 miles Southwest of Carlsbad, New Mexico.

OPPOSITION OR OTHER PARTY

PROPOSED EVIDENCE

APPLICANT

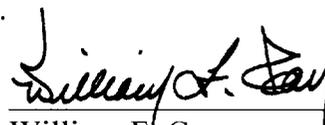
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Mark Wheeler (Landman)	Approx. 15 Min.	Approx. 15
Jerry Elger (Geology)	Approx. 10 Min.	Approx. 2
Black Wisenbocker	Approx. 10 Min.	Approx. 2

OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
-----------------------------------	-----------	----------

PROCEDURAL MATTERS

Nearburg Exploration Co. has none at this time.

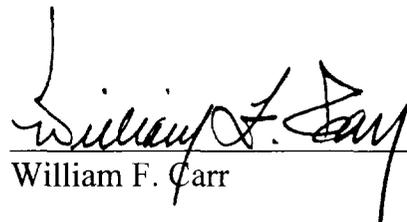


William F. Carr
Attorney for Nearburg Exploration Co.

CERTIFICATE OF SERVICE

I hereby certify that on this 28th day of April, 2000, I have caused to be delivered a copy of our Prehearing Statement in the above-captioned case to the following named parties via the US Postal Service.

James Bruce, Esq.
P.O. Box 1056
Santa Fe, NM 87504-1056



William F. Carr