BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION STATE OF NEW MEXICO

APPLICATION OF PIONEER NATURAL RESOURCES USA INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

NO. 11932

APPLICATION OF ENERQUEST OIL AND GAS, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

NO. 12411

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted in accordance with Division rules:

APPEARANCES OF PARTIES

Applicant:

EnerQuest Oil & Gas, L.L.C. Campbell, Carr, Berge & Sheridan, P.A. William F. Carr Post Office Box 2208 Santa Fe, New Mexico 87504 Telephone 505 988-4171

Opponent:

Doyle Hartman Oil Operator Gallegos Law Firm, P.C. J. E. Gallegos Michael J. Condon 460 St. Michael's Drive, Building 300 Santa Fe, New Mexico 87505 Telephone 505 983-6686

STATEMENT OF THE CASE

The applicant EnerQuest has filed in Case No. 12411 for force pooling concerning the McCasland Fee 18 Well No. 1 asking a dedication of 160 acres to that well (not specifying whether it is an oil well or a gas well) and asking for pooling of

interests, assessments of costs and imposition of a risk penalty. In Case No. 11932, by Order R-10986, the Division has already forced pool all minerals in a 40 acre tract dedicated to the subject well and in doing so included the mineral interest of Hartman over his objection. The application is erroneously brought in this case rather than in Case No. 11932 being a request to amend the existing pooling order. There is no basis nor justification in terms of prevention of waste, protection of correlative rights or recovery of interest owners' fair share of reserves to support an increase of the spacing acreage dedicated to the well.

PROPOSED EVIDENCE

<u>Applicant</u> <u>Estimated Time</u> <u>Exhibits</u>

Opponent Estimated Time Exhibits

Doyle Hartman 30 minutes Well file on McCasland

Fee 18 No. 1, production data, record from Case No. 11932 and Order R-10986, various agreements, leases and letters

OTHER PENDING PROCEDURAL MATTERS

Hartman expects to file a Motion to Dismiss the application which will obviate the necessity of an evidentiary hearing.

Respectfully submitted,

GALLEGOS LAW FIRM, P.C.

J.E. GALLEGOS

MICHAEL J. CONDON

460 St. Michael's Drive, Bldg. 300 Santa Fe, New Mexico 87505

(505) 983-6686

Attorneys for Doyle and Margaret Hartman

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CERTIFICATE OF SERVICE

I hereby certify that I have caused a true and correct copy of a Pre-Hearing Statement to be mailed on this day of June, 2000, to the following counsel of record:

William F. Carr Campbell, Carr, Berge & Sheridan, P.A. Post Office Box 2208

Santa Fe, New Mexico 87504-2208

J. ¥. Gallegos