

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF McELVAIN OIL & GAS PROPERTIES, INC.
FOR COMPULSORY POOLING,
RIO ARRIBA COUNTY, NEW MEXICO

CASE NO. 12,635

OIL CONSERVATION DIV.
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PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Miller, Stratvert & Torgerson, P.A., attorneys for D. J. Simmons, Inc., as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT'S ATTORNEY

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APPLICANT

McElvain Oil & Gas Properties, Inc.

OPPONENT'S ATTORNEY

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OPPONENT

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OTHER PARTY'S ATTORNEY

None to date/unknown

OTHER PARTY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests in all formations from the base of the Pictured Cliffs formation to the base of the Mesaverde formation in the S/2 of Section 25, Township 25 North, Range 3 West, for all formations and or pools developed on 320-acre spacing, which include but are not necessarily limited to the Mesaverde formation, Blanco-Mesaverde Gas Pool. Said units are to be dedicated to its Naomi Well No. 1 (formerly the Wynona Well No. 1) at a previously approved unorthodox gas well location 1650 feet from the South line and 450 feet from the West line of said Section 25, to be reentered and recompleted in the Mesaverde formation. 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 5 miles southwest of Lindrith, New Mexico.

OPPOSITION OR OTHER PARTY

D. J. Simmons, Inc. owns working interests in the E/2 of Section 25, T-25-N, R-3-W, NMPM, the SE/4 of which McElvain seeks to have force-pooled into its proposed Mesa Verde formation re-entry. The S/2 spacing and proration unit McElvain proposes to dedicate to its well conflicts with the plans of D.J. Simmons to develop the E/2 of said Section 25 for two West Lindrith-Gallup-Dakota, Blanco-Mesa Verde dual completion wells to be located at standard locations in the NE/4 and the SE/4 of the section.

Certificate of Mailing

I hereby certify that a true and correct copy of the foregoing was mailed to
counsel of record on the 26 day of March, 2001, as follows:

William F. Carr, Esq.
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