

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 DAVID H. ARRINGTON
OIL & GAS, INC. FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

No. 12828

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

David H. Arrington
Oil & Gas, Inc.
Post Office Box 2071
Midland, Texas 79702

Attention: John McRae
(915) 682-6685

APPLICANT'S ATTORNEY

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OTHER PARTY

OTHER PARTY'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation underlying the following described acreage in Section 1, Township 15 South, Range 34 East, NMPM, and in the following manner: The NE~~1~~/~~4~~NE~~1~~/~~4~~ of Section 1 to form a standard 40 acre oil spacing and proration unit for any and all formations and/or pools developed on 40 acre spacing within that vertical extent, including the Undesignated North Morton-Permo Pennsylvanian Pool and Undesignated Morton-Wolfcamp Pool; the N~~1~~/~~2~~NE~~1~~/~~4~~ of Section 1 to form a standard 80 acre oil spacing and proration unit for any and all formations and/or pools developed on 80 acre spacing within that vertical extent, including the Undesignated Morton-Lower Wolfcamp Pool; the NE~~1~~/~~4~~ of Section 1 to form a standard 160 acre gas spacing and proration unit for any and all formations and/or pools developed on 160 acre spacing within that vertical extent; and the E~~1~~/~~2~~ of Section 1 to form a standard 320 acre gas spacing and proration unit for any and all formations and/or pools developed on 320 acre spacing within that vertical extent,

including the Undesignated North Morton-Atoka Gas Pool, Undesignated East Morton-Morrow Gas Pool, and Undesignated Morton-Mississippian Gas Pool. The unit is to be dedicated to applicant's Big Black Ant Well No. 1, to be drilled at an orthodox location in the NE~~NE~~NE~~NE~~ of Section 1.

OTHER PARTY

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Enick Diffie (landman)	15 Min.	(a) Land plat (b) Correspondence (c) AFE (d) Notice affidavit
John McRae (geologist)	15 min.	(e) Structure map (f) Isopach (g) Cross section

OTHER PARTY

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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PROCEDURAL MATTERS

-None-

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for David H. Arrington Oil & Gas, Inc.