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PLEASE REPLY TO SANTA FE

August 16, 2002

Lori Wrotenbery, Director
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

**Re: NMOCD Case No. 12890; Application of Permian Resources, Inc. for
Compulsory Pooling and Unorthodox Well Location, Lea County, New
Mexico**

Dear Ms. Wrotenbery:

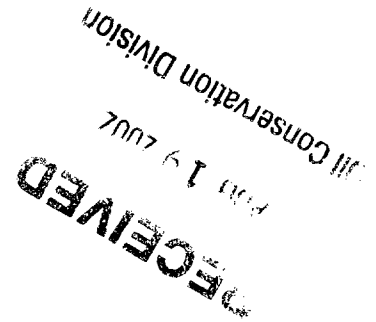
Enclosed is an original and two copies of the Applicant's Pre-Hearing Statement in the above matter.

Very truly yours,



J. Scott Hall

Cc: Michael Stogner (w/encl.)
David Brooks (w/encl.)



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

IN THE MATTER OF THE APPLICATION OF PERMIAN
RESOURCES, INC. FOR COMPULSORY POOLING
AND UNORTHODOX WELL LOCATION
LEA COUNTY, NEW MEXICO

CASE NO. 12890

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Permian Resources, Inc. as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Permian Resources, Inc.
Post Office Drawer 590
Midland, Texas 79702
Attention: Bob Marshall
(915) 685-0113

ATTORNEY

J. Scott Hall, Esq.
Miller, Stratvert & Torgerson, P.A.
Post Office Box 1986
Santa Fe, New Mexico 87504-1986
(505) 989-9614

OPPOSITION OR OTHER PARTY

None.

ATTORNEY

STATEMENT OF CASE

APPLICANT

Applicant seeks an order pooling all mineral interests in the Strawn formation underlying the W/2 SE/4 of Section 7, Township 16 South, Range 36 East, NMPM, to form a standard 80-acre spacing and proration unit for production from the Northeast Shoe Bar-Strawn Oil Pool. Said unit is to be dedicated to Applicant's Chambers No. 2

well to be drilled from a surface location 990' FSL and 1,100' FEL to a bottom-hole location 1,500' FEL and 1,350' FSL in the NW/4 SE/4 (J) of said Section 7 to a depth sufficient to test the Strawn formation, North Shoe Bar Strawn Oil Pool. Applicant seeks to pool unleased mineral interests, among others.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

None.

PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Will Porter, Landman	25 minutes	6
Mike Stewart	20 minutes	5

OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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None.

PROCEDURAL MATTERS

(Please identify any procedural matters which
need to be resolved prior to the hearing)

None.

MILLER, STRATVERT & TORGERSON, P.A.



By _____

J. Scott Hall
Attorneys for Permian Resources, Inc.
Post Office Box 1986
Santa Fe, New Mexico 87504-1986
(505) 989-9614

Certificate of Mailing

I hereby certify that a true and correct copy of the foregoing was forwarded to counsel of record on the 16th day of August, 2002, as follows:



J. Scott Hall