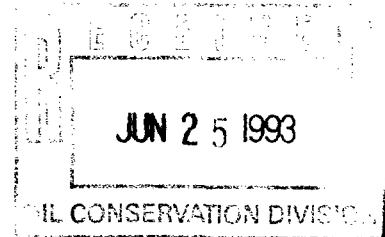


STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 10752

APPLICATION OF RAND OIL AND GAS, INC.  
FOR COMPULSORY POOLING, LEA COUNTY,  
NEW MEXICO



PRE-HEARING STATEMENT

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

**APPEARANCE OF PARTIES**

**APPLICANT**

Rand Oil and Gas, Inc.

**ATTORNEY**

KAREN AUBREY  
236 Montezuma Avenue  
Santa Fe, NM 87501  
(505) 982-4287

**STATEMENT OF CASE**

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Devonian formation, South Knowles-Devonian Field, underlying the E/2NW/4, Section 18, T 17 S. R 39 East, forming a standard 80 acre oil spacing and proration unit for any and all formations and/or pools developed on 80 acre-spacing within said vertical extent. Said unit is to be dedicated to a well to be drilled at a standard location 1980 feet from the North line and 1980 feet from the West line of said section 18. Also to be considered will be the cost of drilling and

Pre-Hearing Statement  
Case No. 10693  
Page 2

completing the 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 and completing said well. Said well is located approximately 2 miles east of Knowles, NM.

#### PROPOSED EVIDENCE

##### APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Phil Whitsitt Landman	20 Minutes	Area Map, tabulation of w.i.; correspondence, AFE JOA
Geologist	20 Minutes	AFE, Net pay isopach, production map, Structure map

#### PROCEDURAL MATTERS

None at this time.

Pre-Hearing Statement  
Case No. 10693  
Page 3

LAW OFFICES OF KAREN AUBREY

By: 

KAREN AUBREY  
236 MONTEZUMA AVENUE  
SANTA FE, NM 87501  
Telephone: 505 982-4287  
Fax: 505 986-8349