

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

July 19, 1993

Sealy H. Cavin, Jr.
Stratton & Cavin
Attorneys at Law
P. O. Box 1216
Albuquerque, New Mexico 87103-1216

RE: CASE NO. 10753
ORDER NO. R-9922

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

Sally E. Leichtle
Sally E. Leichtle
Administrative Secretary

cc: BLM Carlsbad Office

STRATTON & CAVIN, P.A.

ATTORNEYS & COUNSELORS AT LAW

HAROLD D. STRATTON, JR.
SEALY H. CAVIN, JR.*
WILLIAM "BO" FRAZIER

320 GOLD AVENUE, S.W.

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TELEPHONE (505) 243-5400
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*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES - OIL AND GAS LAW

June 24, 1993

VIA FEDERAL EXPRESS

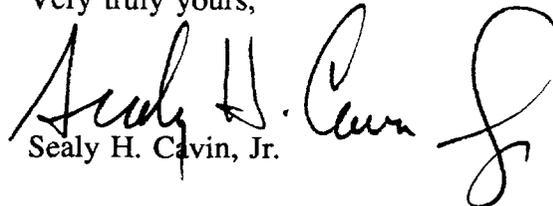
Mr. William J. LeMay
Oil Conservation Division
State Land Office Building
310 Old Santa Fe Trail - Room 206
Santa Fe, New Mexico 87501

Re: Pre-Hearing Statement for Application of Capataz Operating, Inc. and Leonard Resource Investment Corporation for Compulsory Pooling, Lea County, New Mexico -- Case No. 10753

Dear Mr. LeMay:

On behalf of Capataz Operating, Inc. and Leonard Resource Investment Corporation, applicants in the above-described case, I am enclosing triplicate originals of the Pre-Hearing Statement which is filed in connection with the above-referenced case scheduled for public hearing before a Division Examiner on the Docket for Thursday, July 1, 1993.

Very truly yours,


Sealy H. Cavin, Jr.

SHC/teb

Enclosures

cc: H. Scott Davis (w/encl.)

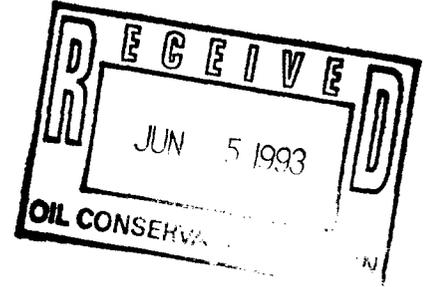
President of Capataz Operating, Inc.

Dan Leonard (w/encl.)

President of Leonard Resource Investment Corporation

MWJR Petroleum Corporation (w/encl.)

MW Petroleum Corporation (w/encl.)

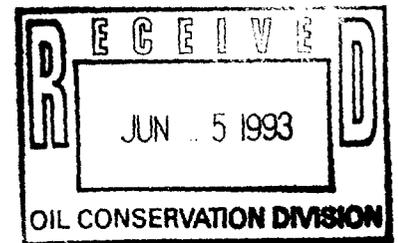


**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

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

CASE NO. 10753

APPLICATION OF CAPATAZ OPERATING, INC. AND
LEONARD RESOURCE INVESTMENT CORPORATION
FOR COMPULSORY POOLING, LEA COUNTY, NEW
MEXICO.



PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

Capataz Operating, Inc.
Attn: H. Scott Davis, President
Post Office Box 2083
Midland, Texas 79702

Leonard Resource Investment Corporation
Attn: Dan Leonard, President
Post Office Box 3422
Midland, Texas 79702
Telephone: (915) 682-3712

ATTORNEY

Stratton & Cavin, P.A.
Sealy H. Cavin, Jr.
Post Office Box 1216
Albuquerque, New Mexico 87103-1216
Telephone: (505) 243-5400

OPPOSITION OR OTHER PARTY

ATTORNEY

Applicant is not aware of any opposition as of June 24, 1993.

STATEMENT OF CASE

APPLICANT

Capataz Operating, Inc. and Leonard Resource Investment Corporation seek an order pooling all mineral interests as follows:

From the surface of the earth to the base of the Seven Rivers Formation appearing (approximately 3,650 feet subsurface) for the formation of a 160-acre gas spacing and proration unit consisting of the SW¼ of Section 11, Township 20 South, Range 38 East, N.M.P.M., Lea County, New Mexico for any production so spaced.

The reason for the pooling Application is that not all interest owners have agreed to commit their interest to the well.

OPPOSITION OR OTHER PARTY

Applicant does not anticipate any opposition to the Application.

PROPOSED EVIDENCE

APPLICANT

<u>WITNESS</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Dan Leonard Landman	10 minutes	Land plat, ownership, and notice.
H. Scott Davis Geologist	10 minutes	Geologic information regarding the proposed well, and justification regarding penalty.

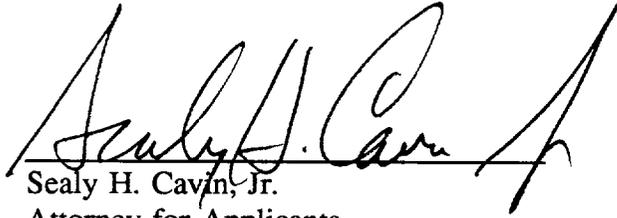
OPPOSITION

<u>WITNESS</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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Applicant does not anticipate any opposition at the hearing.

PROCEDURAL MATTERS

Applicant is not aware of any procedural matters which need to be addressed prior to the hearing.

A handwritten signature in black ink, appearing to read "Sealy H. Cavin, Jr.", written over a horizontal line.

Sealy H. Cavin, Jr.
Attorney for Applicants
Stratton & Cavin, P.A.
Post Office Box 1216
Albuquerque, New Mexico 87103-1216
Telephone: (505) 243-5400

STRATTON & CAVIN, P.A.

ATTORNEYS & COUNSELORS AT LAW

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GIL CONSERVATION DIVISION
RECEIVED

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HAROLD D. STRATTON, JR.
SEALY H. CAVIN, JR.*
WILLIAM "BO" FRAZIER

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES - OIL AND GAS LAW

June 30, 1993

VIA FAX AND REGULAR MAIL -- 827-5741

Mr. William J. LeMay
Oil Conservation Division
State Land Office Building
310 Old Santa Fe Trail - Room 206
Santa Fe, NM 87501

M.S.

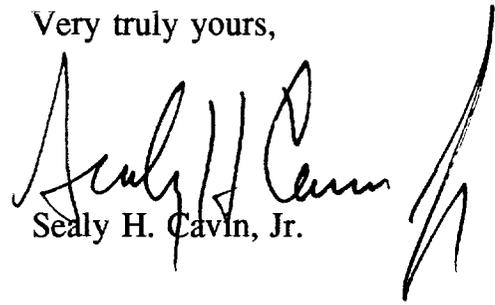
Re: OCD Case No. 10753 -- Application of Capataz Operating, Inc. and Leonard Resource Investment Corporation for Compulsory Pooling, Lea County, New Mexico

Dear Mr. LeMay:

The applicant in the above-described case reached voluntary agreement with the parties sought to be pooled in such case and, therefore, we respectfully withdraw the above-described application.

Thank you.

Very truly yours,


Sealy H. Cavin, Jr.

SHC/jas

cc: H. Scott Davis, President, Capataz Operating, Inc.
Dan Leonard, President, Leonard Resource Investment Corporation
MWJR Petroleum Corporation
MW Petroleum Corporation