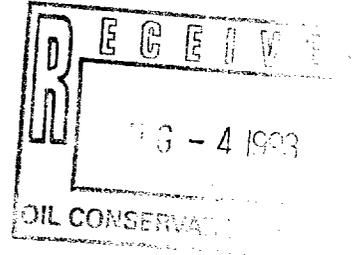


**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION COMMISSION**

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

CASE NO. 10797

IN THE MATTER OF THE APPLICATION OF
COLLINS & WARE, INC. FOR AN
UNORTHODOX GAS WELL LOCATION,
LEA COUNTY, NEW MEXICO.



PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell, Carr, Berge & Sheridan, P.A., as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Collins & Ware, Inc. _____
303 W. Wall, Suite 2200 _____
Midland, TX 79701 _____
Attn: C. M. Guerry _____
(915) 687-3435 _____

name, address, phone and
contact person

ATTORNEY

William F. Carr, Esq. _____
Campbell, Carr, Berge & Sheridan, P.A. _____
Post Office Box 2208 _____
Santa Fe, New Mexico 87504 _____
(505) 988-4421 _____

OPPOSITION OR OTHER PARTY

name, address, phone and
contact person

ATTORNEY

()

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

Collins & Ware, Inc., applicant in the above-captioned case seeks approval to drill its Kaiser State Well No. 43 at an unorthodox gas well location 1000 feet from the South line and 400 feet from the West line (Unit M) of Section 13, Township 21 South, Range 34 East. The SW/4 of said Section 13 is to be dedicated to the well. Applicant further requests approval of the unorthodox location as to all prospective pools or formations including but not limited to the Wilson Yates-Seven Rivers Associated Pool, Yates-Seven Rivers formation which are spaced on 160-acres.

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.)

PROPOSED EVIDENCE

APPLICANT

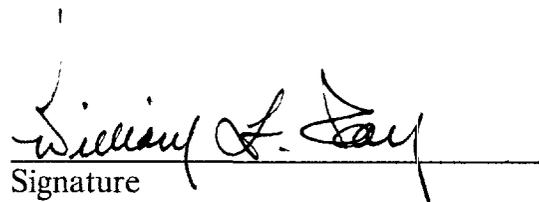
| WITNESSES (Name and expertise) | EST. TIME | EXHIBITS |
|-----------------------------------|-----------|-----------------|
| Ron King, Landman | 10 Min. | Approximately 4 |
| Herb Ware, III, Geologist | 10 Min. | Approximately 3 |

OPPOSITION

| WITNESSES (Name and expertise) | EST. TIME | EXHIBITS |
|-----------------------------------|-----------|----------|
|-----------------------------------|-----------|----------|

PROCEDURAL MATTERS

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


Signature