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

2007 AUG 13 PM 2:38

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

CASE NO. 13324

**APPLICATION OF EOG RESOURCES, INC. FOR
COMPULSORY POOLING AND DIRECTIONAL
DRILLING, EDDY COUNTY, NEW MEXICO.**

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

EOG Resources, Inc.
Attn: Patrick Tower
P.O. Box 2267
Midland, Texas 79702
(432) 686-3776

ATTORNEY

William F. Carr, Esq.
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988.4421

OPPOSITION

SDX Resources
511 W. Ohio Avenue
Suite 601
Midland, Texas 79701
(432) 685-1761

ATTORNEY

W. Thomas Kellahin, Esq.
Kellahin & Kellahin
117 North Guadalupe
Post Office Box 2265
Santa Fe, NM 87504-2265
(505) 982-4285
(505) 982-2047 facsimile

STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Morrow formation in the following described spacing and proration units located in the N/2 of Section 32, Township 19 South, Range 28 East, N.M.P.M., Eddy County, New Mexico: the N/2 for all formations and/or pools developed on 320-acre spacing which includes but is not limited to the Winchester-Morrow Gas Pool, the Undesignated Winchester-Atoka Gas Pool, and the Undesignated Burton Flat-Strawn Gas; and the NW/4 for all formations and/or pools developed on 160-acre spacing. Said units are to be dedicated to its State "32" Com Well No. 2 to be directionally drilled from a surface location 2404 feet from the North line and 1083 feet from the West line to a standard bottomhole gas well location 1980 feet from the North line and 660 feet from the West line (Unit E) of said Section 32, to a depth sufficient to test any and all formations in the pooled interval to the base of the Morrow formation. The well will be at a standard location in all formations. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of EOG Resources, Inc. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 11 miles northeast of Carlsbad, New Mexico.

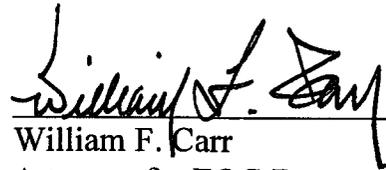
PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Patrick Tower (Land)	Approx. 15 Minutes	Approx. 6

PROCEDURAL MATTERS

EOG Resources, Inc., has none at this time.



William F. Carr
Attorney for EOG Resources, Inc.

CERTIFICATE OF SERVICE

I certify that on August 13, 2004 I served a copy of the foregoing document to the following by

- U.S. Mail, postage prepaid
- Hand Delivery
- Fax
- Electronic Service by LexisNexis File & Serve

W. Thomas Kellahin, Esq.
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