

**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. 13393**

**APPLICATION OF EOG RESOURCES, INC. FOR  
COMPULSORY POOLING AND HORIZONTAL  
DRILLING, LEA 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

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**STATEMENT OF CASE**

**APPLICANT**

Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface through the top 100 feet of the Mississippian Chester formation in the following described acreage in irregular Section 5, Township 21 South, Range 33 East, NMPM: Lots 9 through 16 to form a standard 320-acre spacing and proration unit for all formations developed on a 320-acre spacing within that vertical extent which includes but is not

necessarily limited to the Undesignated Hat Mesa-Morrow Gas Pool; Lots 11 through 14 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent; Lots 12 and 13 to form a standard spacing and proration unit for all formations and pools developed on 80-acre spacing within that vertical extent; and Lot 12 to form a standard spacing and proration unit for all formations developed on 40-acre spacing within that vertical extent. Said units are to be dedicated to its Sombrero 5 State Well No. 1 to be drilled 3535 feet from the North line and 896 feet from the West line of said Section 5 to an approximate depth of 14,600 feet. 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 25 miles southwest of Hobbs, New Mexico.

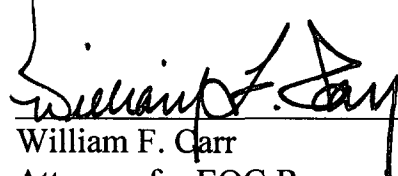
### **PROPOSED EVIDENCE**

#### **APPLICANT**

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

### **PROCEDURAL MATTERS**

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

  
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William F. Carr  
Attorney for EOG Resources, Inc.