

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

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

**APPLICATION OF BURNETT OIL CO., INC. FOR
COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

Case No. 14673

**APPLICATION OF BURNETT OIL CO., INC. FOR
COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

Case No. 14674

PRE-HEARING STATEMENT

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

copy of 6/20/11

APPEARANCES

APPLICANT

APPLICANT'S ATTORNEY

Burnett Oil Co., Inc.
Suite 1500
Unit 9
801 Cherry Street
Fort Worth, Texas 76102

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attention: William D. Pollard, President
(817) 332-5108

Robert C. Grable
Kelly Hart & Hallman LLP
201 Main Street, Suite 2500
Fort Worth, Texas 76102
(817) 878-3550 (phone)
(817) 878-9280 (fax)

OTHER PARTY

Hudson Oil Company of Texas
c/o Burnett Oil Co., Inc.

OPPONENT

COG Operating LLC

OPPONENT'S ATTORNEY

Ocean Munds-Dry

STATEMENT OF THE CASE

APPLICANT

Case 14673: Applicant seeks an order pooling all mineral interests from 4230 feet subsurface to the base of the Glorieta-Yeso formation underlying the SE/4SE/4 of Section 24, Township 17 South, Range 31 East, NMPM, to form a standard 40-acre oil spacing and proration unit for all pools or formations developed on 40-acre spacing within that vertical extent. The unit is to be dedicated to the proposed Nosler Fed. Well No. 3, to be drilled at an orthodox location in the SE/4SE/4 of Section 24. Also to be considered will be the cost of drilling and 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 200% charge for the risk involved in drilling and completing the well.

Case 14674: Applicant seeks an order pooling all mineral interests from 4230 feet subsurface to the base of the Glorieta-Yeso formation underlying the SE/4SE/4 of Section 13, Township 17 South, Range 31 East, NMPM, to form a standard 40-acre oil spacing and proration unit for all pools or formations developed on 40-acre spacing within that vertical extent. The unit is to be dedicated to the proposed Partition Fed. Well No. 2, to be drilled at an orthodox location in the SE/4SE/4 of Section 13. Also to be considered will be the cost of drilling and 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 200% charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

David S. Rhodes
(land manager)

EST. TIME

20 min.

EXHIBITS

Approx. 5

John Haiduk (geologic manager)	10 min.	Approx. 3
Mark Jacoby (engineering manager)	10 min.	Approx. 4

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

Applicant requests that these matters be consolidated for hearing.

Respectfully submitted,



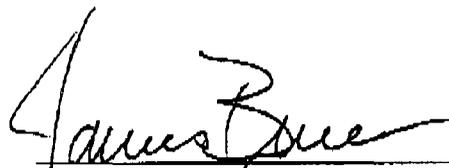
James Bruce
 Post Office Box 1056
 Santa Fe, New Mexico 87504
 (505) 982-2043

Attorney for Burnett Oil Co., Inc.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 15th day of June, 2011 by facsimile transmission:

Ocean Munds-Dry
 Holland & Hart LLP
 P.O. Box 2208
 Santa Fe, New Mexico 87504
 fax: (505) 982-6043



James Bruce